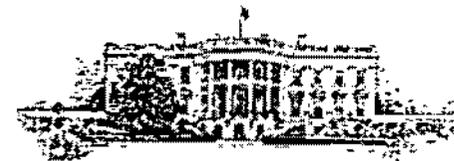


THE PRESIDENT AND MRS. CLINTON

*welcome you on the occasion of*

THE WHITE HOUSE CONFERENCE  
ON CHILD CARE



*Thursday, October 23, 1997*

## PROGRAM

### *Opening Remarks*

MRS. CLINTON

Video presentation:  
"Why Should We Care About Child Care?"

MS. KATHRYN CARLINER  
Maplewood, New Jersey

THE PRESIDENT

### *Morning Session*

MS. ELLEN GALINSKY  
Families and Work Institute  
New York, New York

MS. MICHELLE SELIGSON  
National Institute on Out-of-School Time  
Wellesley, Massachusetts

THE HONORABLE ROBERT RUBIN  
Secretary of the Treasury

THE HONORABLE DONNA SHALALA  
Secretary of Health and Human Services

THE HONORABLE JAMES HUNT  
Governor of North Carolina

DR. VALORA WASHINGTON  
W. K. Kellogg Foundation  
Battle Creek, Michigan

MS. PATTY SIEGEL  
California Child Care Resource and Referral Network  
San Francisco, California



### *Luncheon in the State Dining Room*

### *Afternoon Session*

MRS. CLINTON

THE VICE PRESIDENT

THE HONORABLE RICHARD RILEY  
Secretary of Education

MAJOR GENERAL JOHN G. MEYER, JR.  
United States Army

REPRESENTATIVE JANE MARONEY  
Delaware State Legislature

DR. SUSAN ARONSON  
American Academy of Pediatrics  
Narberth, Pennsylvania

BISHOP JOSEPH M. SULLIVAN  
Vicar of Human Services  
Brooklyn, New York

MR. JOHN SWEENEY  
AFL-CIO  
Washington, D.C.

MS. BEATRIZ OTERO  
Calvery Bi-lingual Multicultural  
Learning Center  
Washington, D.C.

MR. DOUG PRICE  
First Bank of Colorado  
Lakewood, Colorado



*"Each of us -- from business to religious leaders to policy-makers and elected officials-- has a responsibility and an important stake in making sure that children of all ages have the best possible care available to them . . . I hope that this conference will be the beginning of a national dialogue about how best to care for all of America's children and will make a valuable contribution to our effort to improve child care in this country."*

President Clinton

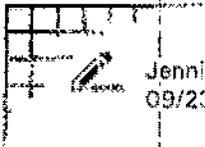
*"For too long, parents across our country making decisions about child care have struggled with too little information, too few choices and too much anxiety. And America's families have too often faced this problem alone. Now it is time to move this issue to the top of our country's agenda. We hope that this conference will begin an honest national discussion about child care and build on promising efforts already underway in states and communities."*

Mrs. Clinton

WHITE HOUSE CONFERENCE  
ON CHILD CARE

October 23, 1997

**POLICY DEVELOPMENT AND CONFERENCE PLANNING**



Jennifer L. Klein  
09/23/97 04:43:13 PM

Record Type: Record

To: Bruce N. Reed/OPD/EDP, Elena Kagan/OPD/EOP

cc:

Subject: Meeting with the First Lady

Nicole and I wanted to let you know that Mrs. Clinton is eager to speak with all of us on two issues -- adoption and child care -- and will likely be asking for a meeting in the next day or so.

On adoption, she is committed to doing whatever she can to move quickly our Administration review of the Senate adoption bill and to urge Congress to work to pass a bill this session. We imagine she hopes to enlist you both in that effort. Nicole and I are being briefed by HHS and Chafee/Rockefeller staff this afternoon and will report back.

On child care, she wants to talk through policy ideas, and hear what you both are thinking on where to target energy and resources. Included in the binder and memo we forwarded last week is an overview of where we were as of last week on policy development. She was generally supportive of the direction that the memo spells out, but had some concerns, including:

1. We need better, bigger thinking on how to address the great need for school-age care;
2. We should consider calling for a bi-partisan process to develop child care safety standards/model state regulations; and
3. We should address the issue of parent choice, i.e. choice to stay at home and ways the federal government can in some instances support that choice.

1. SCHOOL-AGE

- Ed Dept - 400M/yr to school districts - where does \$ go? 20,000 per schools @ 50k = 1/3 of districts
  - Supply vs. quality
  - HRC: Don't just need another program - consolidate existing funding streams
- ~~Survey/Drawings~~

2. AFFORDABILITY

- Tax vs. subsidy

3. QUALITY

CHILD CARE POLICY OPTIONS RE: QUALITY  
9/17/97 DRAFT FOR DISCUSSION PURPOSES

Promoting Health and Safety in Child Care -- Ensuring that Children are Free From Harm

- Set example by requiring GSA and DOD to use *Stepping Stones* in federally funded and conducted centers (*Stepping Stones* is a set of the national child care standards, extrapolated from the 1992 *National Health and Safety Performance Standards: Guidelines for Out-of-Home Care*);
- Challenge states to improve health and safety in child care, and reward those that do through a quality incentive fund;
- Assist states in improving health and safety child care standards through the *Healthy Child Care America* campaign, highlighting new national center to support health promotion in child care with technical assistance to state child care officers and with training to health professionals (grant to establish center soon to be announced, perhaps can be held for the conference);
- Direct the Department of HHS to issue a state-by-state report card on health and safety in child care;
- Increase demand for child care that meets health and safety standards by targeting consumer education (establishing a toll-free number and other supports); and
- Calling on parents to visit their children's child care settings and proposing FMLA expansion to give parents time off for this and other important purposes:
- Call for proper screening of child care providers through background checks by:
  - creating incentives for the states to adopt guidelines through quality incentive fund;
  - calling for the Interstate Compact, which would enable the FBI to maintain a national database of all state-maintained criminal history records and would set ground rules for the sharing of information (Justice soon to formally submit legislation -- bill must pass Congress and then be ratified by all states);
  - directing HHS to identify and share information on promising state models of screening; and
  - using bully-pulpit and targeting consumer education.

Enhancing Quality of Child Care

- Encourage training of child care providers by establishing a scholarship fund for providers and exploring Pell grant expansion/loan forgiveness, and validate the profession by establishing a National Child Care Provider Day;
- Design quality incentive fund to support quality-promotion measures such as accreditation, consumer education, family child care networks, etc.;
- Target consumer education and demand through a national public awareness campaign; and
- Build better knowledge base of child care by establishing a targeted research fund.

THE WHITE HOUSE

WASHINGTON

September 15, 1997

MEMORANDUM FOR HILLARY RODHAM CLINTON

CC: BRUCE REED  
MELANNE VERVEER  
ELENA KAGAN

FROM: JENNIFER KLEIN  
NICOLE RABNER

RE: CHILD CARE

9/15  
(Map Room)

As you know, over the past few months, we have been preparing for the upcoming White House Conference on Child Care on two tracks: policy development and conference planning. The purpose of this memorandum and binder is to give you an overview of our progress with the policy planning process and to solicit your advice and ideas. Also included in the binder is information for discussion on the conference format.

We have divided the policy development discussions into three broad categories -- 1) quality, 2) affordability, and 3) school-age care -- and have led an interagency process of examining current child care policy in each of these areas and exploring ways to improve it. Our goal to date has been to identify the major policy challenges for possible focus, which this memo outlines. It is now time to begin to prioritize among the many options and make strategic decisions about where to recommend investing limited resources. Please note also that we do not anticipate announcing many of these options at the conference itself, as the event will take place ahead of the budget process. However, we do expect to have some important policy announcements ready for the conference, as well as a process in place to further develop others for later announcement (perhaps at the State of the Union).

I. Quality

Issues relating to quality of care are perhaps the most challenging and important that we face. As you know, studies reveal a quality crisis in child care. For instance, one study of child care centers shows that 10% of children in center-based care are in care that is dangerous to their health and safety, 70% are in care that is barely adequate, and only 20% are in high quality care. Infants are at greatest risk, with 40% in care that is dangerous to their health and safety.

While there is clear agreement that high quality care for all children is our goal, there exist underlying concerns about pursuing policy that increases the quality of care, but prices care out of the reach of working parents, as well. For that reason, the discussion of quality and affordability go hand-in-hand.

Our discussion of policy related to quality has several components:

- A. Health and safety standards
- B. Professional development and screening
- C. Quality enhancement

A. HEALTH AND SAFETY STANDARDS

National child care standards are extremely controversial. At the same time, experts, advocates and parents seem to agree that with the clear absence of state leadership in this area, there is a role for the federal government to play. The question with which we are grappling is the nature and extent of that role. Included in this binder is a memo prepared by the Department of Maternal and Child Health at HHS that outlines various policy options and examines the advantages and disadvantages of each.

Perhaps the most promising policy option involves a set of national child care standards recently-released by HHS for states' voluntary use. The standards, called *Stepping Stones* (and included in the binder), is a reader-friendly document extrapolated from the 1992 *National Health and Safety Performance Standards: Guidelines for Out-of-Home Care*, which was developed by the American Public Health Association in cooperation with the American Academy of Pediatrics through a grant support by HHS. We could urge, for example, that states use *Stepping Stones* by offering them incentive grants if they agree to use these guidelines. bipartisan

In addition to the options outlined in the memo included in the binder, we are examining immediate steps we might be able to take, along the lines of the regulation recently promulgated that requires immunizations in federally-supported child care settings.

B. PROFESSIONAL DEVELOPMENT AND SCREENING

Professional Development

Experts routinely link the quality of any child care setting to the quality of the child care providers themselves. Yet child care providers are among the lowest paid, least trained professionals, and the profession not surprisingly experiences a very high turn-over rate. We are exploring several policy options related to enhancing professional development, some of which

are explored in the binder:

- Creating a national child care provider scholarship fund which could be available to states conditioned on their setting standards for child care provider preparation and/or facilitating loan forgiveness or Pell Grant expansion to assist and encourage child care professionals to seek training;
- Linking compensation to training for child care providers by requiring that states set higher reimbursement rates for providers that meet higher training standards, to address high turn-over rates and encourage providers to seek higher education; and
- Establishing a National Child Care Provider Day to stimulate national recognition of the important work of child care providers and to urge talented people to join the profession.

#### Screening of Child Care Providers

Making sure that child care providers are properly screened for criminal/abuse histories is a compelling issue; it is also one that is wrought with complications of cost, jurisdiction and effectiveness. Today, there exists no national standard for criminal (state/FBI records) and/or civil (child abuse registry) background checks for child care providers. Background checks requirements are made at the state level, and today, while state laws routinely require these checks for people who work in banks, for example, no consistent requirement exists for child care providers. While a few federal laws have been passed to either facilitate or encourage such checks, they have had little impact and substantial obstacles remain:

- No national standards exist for background checks. "Background checks" can mean either a criminal history name check, a fingerprint check, or a civil records check. Moreover, states vary widely on who they check (part-time/full-time employees) and the scope of crimes they are checking;
- There is no single database for background checks. The feds and the states have their own information systems and many criminal justice records remain decentralized at the local level. In addition, these information systems may not collect all of the relevant information relevant for day care workers (e.g., sex offender registry may identify a convicted child molester but not a child abuser); and
- The cost of background checks can be substantial. Fingerprint checks are at least three times as expensive as name checks, but are more reliable. Concerns were raised about passing these costs along to the customers, many of whom may already find child care costs prohibitive. Moreover, child care facilities have a high rate of employee turn over.

Since the Supreme Court's decision the Brady Law, there is a heightened sensitivity to imposing mandates on states in this area, particularly without providing additional funding. Our discussion on moving forward was focused on an Interstate Compact bill which the Justice Department is preparing the send to the Hill this month. Under the Compact -- which must first be passed by Congress and then by individual states -- the FBI would maintain an index of all of the state-maintained criminal history records and the ground rules for states to share their information. The Compact would be a solid first step to expand the availability of criminal history records for "non-criminal justice purposes." The downside is that each state needs to ratify the compact if they want to participate-- which could take a long time.

SAVE  
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### C. QUALITY ENHANCEMENT

Included in the binder is a memo prepared by HHS that outlines policy options specific to the question of child care quality enhancement. A range of ideas are discussed, including:

- Creating a quality incentive fund that would be available to states for quality improvements in a number of areas, such as promoting accreditation, providing consumer education, providing professional training, meeting standards, etc.;
- Establishing a family child care network support fund that would be available to states to establish and support family child care networks. Family child care settings are particularly vulnerable to poor quality, because of their isolation from any support networks; and
- Creating a national public awareness campaign, stimulating technology and establishing a research fund designed to improve consumer awareness and care.

### 2. Affordability

The federal government has two mechanisms for helping working parents afford child care -- the tax system, through the Dependent Care Tax Credit (DCTC) and the block-grant subsidy system, through the Child Care and Development Block Grant (CCDBG). We are exploring ways to expand and improve each to reach more working parents. Included in the binder are memos that examine the two systems and outline possible approaches to reform. We are waiting for HHS and the Department of Treasury to complete its analysis of how these two systems interact -- what income levels are being adequately covered and who is being left out -- before we devise specific recommendations in this area. To date, the most promising policy proposals are:

- Reforming DCTC to adjust the income slide parameters for eligibility and increasing the

amount of qualifying expenses (neither has not been adjusted for inflation since 1982);  
and

- Increasing subsidy dollars to states to reach more people, possibly conditioned on certain quality-related initiatives undertaken by the states.

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### 3. School Age Care

In our many focus groups with experts and advocates on child care, one message was very clear - the need for after-school programs is extreme and the evidence has never been more clear that these programs are good investments, in terms of education enhancement, crime reduction and teen pregnancy prevention. The Department of Education is in the process of completing its proposal for an ambitious expansion of federal support for after-school programs. Included in this binder is a overview of current federal programs in this area and some of the compelling supporting evidence.

THE WHITE HOUSE  
WASHINGTON

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III. SCHOOL-AGE CARE

IV. FACT SHEETS ON CHILD CARE

V. WHITE HOUSE CONFERENCE ON CHILD CARE

- F. Conference Format
- G. Video Proposal





WHITE HOUSE CHILD CARE GROUP  
On  
QUALITY ISSUES

Health and Safety Standards/ Health Promotion and Child Development Issues.

Background

Studies indicate that there are serious problems with the quality of child care. A study of child care centers found that 10% of children are in care that is dangerous to their health and safety, 70% are in care that is barely adequate, and only 20% are in high quality care. Infants are at greatest risk, with 40% in care that is a danger to their healthy and safety (Heilburn, et al., 1995). A study of family child care found that 35% of children were in poor quality care, 56% adequate care, and only 9% in high quality care; and children from low income families were in substantially lower quality care ( Galinsky, et al., 1994).

Such studies present compelling evidence to address quality in child care in the context of "freedom from harm, specifically, physical and developmental harm" through a spectrum of possible examples, as follows:

**OPTIONS TO PROMOTE HEALTH AND SAFETY IN CHILD CARE SETTINGS**

**1. Create a set of standards on child health and safety, health promotion and child development to be promulgated by Federal regulation**

Advantages

A set of standards, developed by the experts in this field, already exists in the form of *Caring for Our Children*. The standards are a tangible step to improve child care that would be directly attributed to the Administration. Responds to the media criticism of the weakness of State regulations. Standards represent direct evidence of the Administration's commitment to children and families.

Disadvantages

There is no certain mechanism to promulgate such standards. According to Office of General Counsel, Title V (MCH) has no such authority. The Child Care Bureau's legislation apparently has some authority but initial efforts to include health and safety issues were only minimally successful. Head Start has health and safety performance standards but addresses a restricted population as does the Department of Defense. This option appears contrary to the Administration's federalism approach. Presently, most States have a problem with monitoring resources and would have difficulty, without additional resources, to carry out this task.

**1A. Focus the promulgated standards on freedom from harm (the *Stepping Stones* document)**

#### Advantages

In addition to those cited for 1. Above, content is already available and has been reviewed by experts in the field. Focus is on what will keep children safe, can emphasize the intent to avoid human tragedy. Responds to the media criticism of the weakness of State regulations. Can be contrasted with *Caring for Our Children* in terms of burden to providers.

#### Disadvantages

Same as 1.

### 2. Require all Child Care providers, including Family Child Care providers, to demonstrate competency in First Aid and CPR, Nutrition, Environmental Health and Safety, and managing the developmental and emotional needs of at-risk children.

#### Advantages

Educational requirements are much more likely than the existence of health and safety standards to have a tangible impact at the provider level, where behavior actually counts. Would raise the general knowledge level of child care providers and increase the quality of developmental care as well as health and safety. Would provide a more solid base for advancement of child care workers. Educational system could assist in monitoring compliance. Need to look at the Head Start experience with the Child Development Associate degree program.

#### Disadvantages

Requires a significant amount of new fiscal resources. Would take time to develop and implement curriculum on a broad scale. Uncertain whether this would be politically feasible. Could increase the cost of child care for families needing the service.

### 2A. Require all child care providers to have a Child Development Associate degree.

#### Advantages

Can build on the experience of the Head Start program. Curricula already developed. Some educational resources already in place. Has the advantage of the Head Start name for which there seems to be much political good will. Positive attributes somewhat similar to the argument for using EPSDT as the benefits package for child health insurance. See also 2.

#### Disadvantages

As with EPSDT, concern about cost and ability to monitor such a requirement without requiring all child care to be regulated. See also 2.

### 3. Expand the health and safety requirements of the Child Care Block Grant.

#### Advantages

There exists some legislative language and precedent for this type of approach. There is an opportunity to direct the 4% quality set aside toward promulgation of these requirements.

Would have a substantial audience of providers and customers, especially those in socioeconomic need.

Disadvantages

Difficulty with which even minimal requirements were included in the present Block Grant regulations. Would not necessarily have any impact on those programs not receiving Block Grant funding. Federal influence likely to be challenged by States.

3A. Adopt the three health and safety requirements (infection control including immunizations, building and premises safety and health and safety training) of the Child Care and Development Fund as Federal Regulations.

Advantages

More incremental than *Stepping Stones* so perhaps less opposition. Same as 3 above.

Disadvantages

Same as 3 above.

4. Require all Child Care programs in Federal facilities to adhere to the *Stepping Stones* document and challenge Governors to match the Federal position.

Advantages

Demonstrates the Administration's commitment. Immediately creates a *de facto* Federal standard without having to go through the process. Sets up a comparison between the Administration and any given State. Would allow the Administration to create a report card on State efforts.

Disadvantages

To some extent the President did this when he cited the Defense Department for its efforts in child care at the *Brain* conference. Taken alone is not likely to have the desired impact. Would need to have a monitoring and visible ongoing reporting effort. Center-based model only- comparison's could not be made with family child care homes.

5. Promote States' Adoption of "Stepping Stones" through a set of incentives and a challenge to Governors to adopt these standards as benchmarks.

To facilitate this:

- State standards can be coded by the States so that an annual "Report Card" of state progress in adopting "Stepping Stones" can be developed.
- A cost/ impact analysis on the standards in "Stepping Stones" can further promote their use.
- Financial incentives can be offered to adopt and implement "Stepping Stones" as

well as promote the Healthy Child Care America Campaign (possibly through the Child Care and Development Fund's four percent quality dollars or the tobacco tax).

- A National Coalition of Stakeholders in Child Care could be established to move this process along.

#### Advantages

Establishes an on-going system to view each state's baseline standards and annual progress. The Administration can use this information to challenge states to improve, using the "bully pulpit" approach. States might respond to this approach if they know the cost of implementing such standards up-front and they are offered financial incentives to implement them.

#### Disadvantages

State "Report cards" carry a certain amount of political risk. Targeted funds for this activity would have to be assured. Implementing some key standards might appear to be costly, e.g., safe playground facilities, unless resources are identified.

#### 6. Create a National Support Network for Child Care Providers

This Network could include, for example :

- Child Care Health Consultants to communities (child care providers and resource and referral agencies) to train child care providers and parents and provide telephone and on-site health consultation services.
- A National Hotline ( linked to state health and child care hotlines) for health and safety information (Healthy Start model).
- Community-based Child Care Health and Safety Training and Technical Assistance Centers which are responsive to the needs of parents and child care providers.
- National Media Campaign which advertises the hot line, and includes television - based training activities for child care providers and parents around health and safety.

#### Advantages

States with excellent health and safety standards often cannot assure adequate monitoring. Assuring that standards are implemented is best done through consultation and support targeted to child care providers themselves.

#### Disadvantages

Although more of a challenge than disadvantage, strong state commitment to partner in

this effort will be needed.

**7. Create a National Support Network For Parents**

This could include, for example, the activities in #6 plus:

- A National Hotline (linked to state resource and referral hotlines) to respond to parents' concerns regarding health and safety in child care.

**Advantages**

Parents as consumers need to know what constitutes good quality in the child care services they purchase. They in turn become advocates and supporters of better state standards.

**Disadvantages**

Same as #6.

B

# Professional Development Policy Options

## Create a national provider scholarship fund.

Funds would be available to states to provide education scholarships to family child care and center-based providers. In order to access the scholarship funds, States would have to agree to set standards for child care provider preparation, encourage the licensure of providers, and provide wage increases or bonuses upon completion of an agreed-upon number of course hours or upon attainment of credentials.

### Advantages:

- o Through training, bonuses and wage increases, the State can assure a more qualified and stable provider workforce, thereby improving both the quality and continuity of care available to working families.
- o States would have the flexibility to design scholarships to meet the needs and circumstances of individual provider and to target training through family child care networks or to center-based providers.
- o By building a skilled provider workforce, child care quality could be improved without significantly increasing parent fees and without reducing States' flexibility to design their child care program.

### Disadvantages:

- o States may be reluctant to take on the development of provider preparation standards without significant resources.
- o While we know that skilled child care providers are the cornerstone to quality, this option alone will not help ensure other mechanisms to improve quality.

## Require that States provide higher reimbursement rates for providers that meet some training standard set by the State

### Advantages

- o Higher reimbursement rates would reward more highly qualified providers with increased wages and provide an incentive for all providers to seek appropriate training.
- o Staff turnover may be reduced as a result of higher wages.

### Disadvantages

- o CCDBG funding is limited. If states are required to pay higher rates, states would serve fewer children.

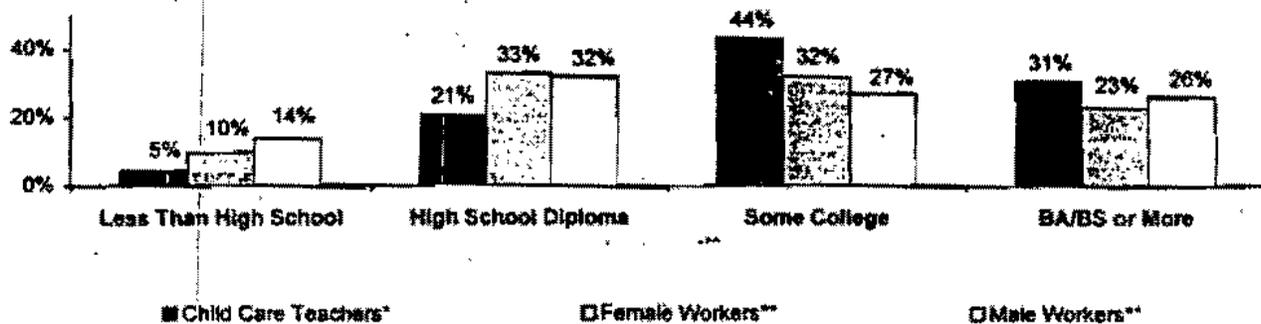
# PROFILE: The Child Care Work Force<sup>i</sup>

There are an estimated three million child care teachers, assistants, and family child care providers in the United States. They care for 10 million children each day.

- 97% of all teaching staff are female
- 33% of all teaching staff are women of color
- 41% of all teaching staff have children
- 10% of all teaching staff are single parents

- Child care teaching staff earn on average \$6.89 per hour or \$12,058 per year (based on a 35 hour/50 week year).<sup>f</sup> Only 18% of child care centers offer health coverage to teaching staff.
- Although they earn substantially lower wages, child care teachers are better educated than the general population.
- Male workers in the U.S. earn on average \$33,971 annually, almost three times more than child care staff. Female workers in the U.S. earn on average nearly 50% more, \$19,781, than child care teaching staff.<sup>g</sup>
- One-third of all child care teachers leave their centers each year.

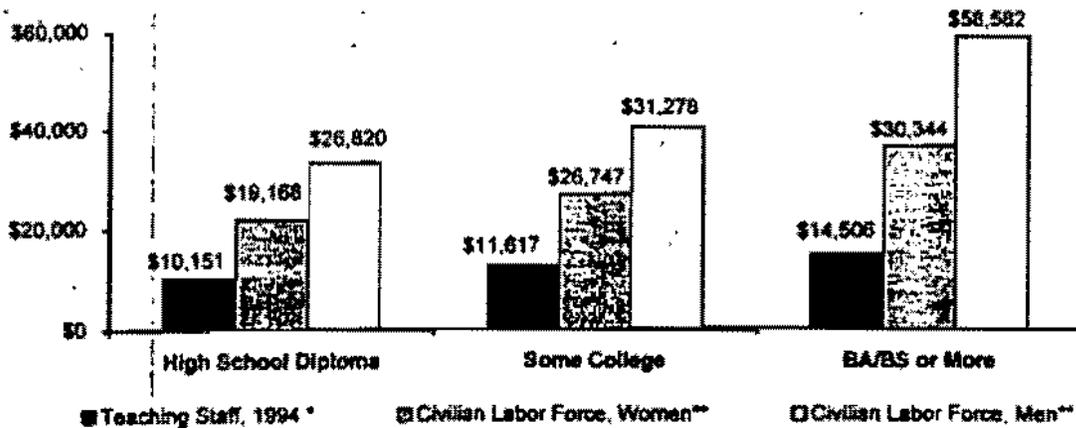
Education of Child Care Teaching Staff Versus All Workers



\* National Child Care Staffing Study.

\*\* Current Population Surveys, 1995. Bureau of Labor Statistics, US Dept. Of Labor.

## Annual Wages of Child Care Teaching Staff Versus All Workers



\* *National Child Care Staffing Study*, Wages in 1996 dollars.

\*\* *Current Population Surveys*, Bureau of Labor Statistics, US Dept. Of Labor, Wages in 1996 dollars.

How child care center teachers tell us they support themselves and their families on their wages:

- > They hold second jobs.
- > They live with their parents.
- > They depend on a second income.
- > They forego health insurance and medical care.

When child care center teachers can't live on low wages any longer, they leave their jobs thus jeopardizing the quality of care for millions of children each year.

- > Family child care providers who care for and educate young children in their homes also have very low earnings. Providers earn \$9,528 annually after expenses.<sup>1</sup> Unregulated providers, who care for fewer children and are offered fewer supports, earned just \$5,132 after expenses.

< >

<sup>1</sup> Unless otherwise indicated, data presented are in 1996 dollars, based on the 1996 Average Consumer Price Index.

<sup>2</sup> *Cost, Quality and Child Outcomes in Child Care Centers, Technical Report (1995)*, University of Colorado at Denver, Department of Economics. Salary data in 1993 dollars.

<sup>3</sup> U.S. Department of Labor, Bureau of Labor Statistics. Earnings in 1996 dollars.

<sup>4</sup> *The Economics of Family Child Care Study*, forthcoming, Wheelock College. Earnings in 1996 dollars.

Prepared by NCECW:

National Center for the Early Childhood Work Force

733 15th Street, N.W., Suite 1037, Washington, DC

TEL: 202/737-7700 — FAX: 202/737-0370 — E-MAIL: [ncecw@ncecw.org](mailto:ncecw@ncecw.org)

# **CRIMINAL HISTORY BACKGROUND CHECKS MAJOR ISSUES**

- **No national standards**
  - **Federal requirement versus States' requirements**
    - **Federal -- criminal records and fingerprint check**
    - **States – criminal and civil records and finger print check**
      - **criminal records and finger print check**
      - **criminal records and civil records check**
      - **criminal records check**
  - **No standardized definitions for States**
    - **Applicability -- who needs/should have a background check**
      - **Full- or part-time employees, volunteers or contractors**
      - **Status – owners, care providers, administrative staff**
    - **Content -- what does a background check consist of**
      - **Information related to child abuse**
      - **Information related to other crimes**
- **No single repository of information for background checks**
  - **Decentralized criminal justice records (local law enforcement/courts)**
  - **Decentralized child protective services records**
  - **Gaps in all systems**

## **MAJOR ISSUES (continued)**

- **Numerous information systems have different purposes and content**
  - **Criminal record and sex offender systems assist law enforcement in tracking crimes and criminals**
  - **Central child abuse registries assist social service agencies in protecting children**
- **Current laws have limited impact**
  - **Crime Control Act of 1990, as amended, requires fingerprint checks for workers in Federally operated/contracted child care facilities**
  - **National Child Protection Act of 1993, as amended, authorized national checks only if State law required such a national check through a State-designated agency**
    - **Not all States require screening for people who work with children**
    - **Screening requirements vary among States that require it (some do not require background checks)**
- **Cost considerations**
  - **Automating information systems**
  - **Linking State and Federal information systems within and across jurisdictions**
  - **Processing charges for record and fingerprint checks**

## **MAJOR ISSUES (continued)**

- **Right to employment and privacy considerations**
  - **Accuracy of information**
  - **Completeness of information**
  - **Retention period of information**
  - **Misuse of information**
  
- **Background checks are only one element of screening for potential employees and volunteers**

C

## OPTIONS TO IMPROVE THE QUALITY OF CHILD CARE

Recent research has documented that quality child care plays a critical role in assuring the well being of our nation's children and families. Quality care protects children from harm; it promotes children's development, school readiness and academic achievement and it meets parents' needs for reliable care that fits their work schedule.

Despite a growing awareness of the importance of child care quality, a number of studies have emerged over the past decade that raise concerns about child care quality. From the National Child Care Staffing Study released in 1989 to the more recent Cost and Quality Study, we know that the quality of child care for most children remains far from adequate.

Four percent of federal dollars are set aside to address quality, however, there continues to be a need for training, consumer services and other improvements.

In addition to the options described in the earlier paper on promoting health and safety in child care settings, the following options suggest a multi-pronged approach to improving access to quality care. Each of these options, alone or in combination, could also be tied to the health and safety options.

### 1. Create A Quality Incentive Fund

Funds would be available to States to provide community grants to establish family child care networks, promote accreditation, provide consumer education, provide training, meet standards, promote health and parent education in child care and improve access and affordability. Communities would select priorities based on local need. States would be required to assure that their child care standards incorporate those key protections for children's health and safety outlined in "Stepping Stones".

Participating communities would be required to form local partnerships to leverage resources and develop strategies to address the child care needs of working families in the community.

#### Advantages:

- o Funding can be used as an incentive for States to incorporate key standards.
- o Communities would tailor services to their specific needs and serve as laboratories for innovative practices.

- o Community needs assessments and planning will help States target their child care services appropriately, i.e., for family child care or infant care.

- o Would bring together critical partnerships at the community level, stimulating local public/private investments and facilitating linkages with state programs.

Disadvantages:

- o Flexibility of approach could make it difficult to evaluate across programs.

2. Create a family child care network support fund.

Funds would be available to States to establish and support family child care networks. With more than 2 million family child care providers in the U.S. caring for millions of young children, family child care is woven into the fabric of every community. Family child care provides care in small group settings in close proximity to the child's home. Small group size enables providers to include very young children and children with special needs, and to interact more closely with parents. The flexibility of family child care can also respond to the child care needs of parents working non-traditional hours. Family child care networks provide a formal network of support to help build and expand child care capacity in communities.

Advantages:

- o Networks provide a mechanism for screening, recruiting and training providers within a community and assist providers in meeting any licensing or health and safety requirements.

- o Networks provide contact and professional support to caregivers who are otherwise very isolated.

- o Networks can provide a realistic assessment of the child care needs and resources in the community and can improve the quality and continuity of care across the network through technical assistance, monitoring, and other supports such as equipment purchasing plans, alternate care arrangements when the provider is ill, and access to child care food programs.

- o Networks can help provide outreach to families and organize parent activities to ensure both parent involvement and consumer education.

Disadvantages:

- o Focuses investment on supports to a specific category of provider while other providers may also need similar supports.

Create a national public awareness campaign, stimulate technology and establish a research fund

Funds would be available to:

Establish a consumer hotline for parents that would connect with local resource and referral agencies.

Launch a public awareness campaign for parents on choosing and monitoring quality care and parent involvement.

Establish a National Center for Child Care Statistics

Support research and demonstrations on child care issues that could benefit other communities.

Develop new technologies for long-distance training of child care providers.

Advantages:

- o Would provide critical consumer supports to help parents make informed child care decisions in the best interest of their children.
- o Would stimulate and maximize the use of technology to improve the quality of care available.
- o Would build capacity within the child care system to identify and address the needs of working families.

Disadvantages:

- o Specifies a narrowly defined range of activities.
- o Provides no additional funds to the states.

**AFFORDABILITY**

D

## VERY PRELIMINARY OPTIONS TO MODIFY CHILD AND DEPENDENT CARE TAX CREDIT

### Current Law

Child and Dependent Care Tax Credit -- A taxpayer who incurs expenses for the care of a qualifying individual -- a dependent child under 13 or an incapacitated adult dependent or spouse -- in order to work is eligible for a nonrefundable tax credit. Taxpayers with adjusted gross income of \$10,000 or less are allowed a credit equal to 30 percent of eligible employment-related expenses. For taxpayers with adjusted gross incomes of \$10,000 to \$28,000, the credit rate is reduced by one percentage point for each \$2,000 or fraction thereof above \$10,000. The credit is limited to 20 percent of employment-related child and dependent care expenses for taxpayers with adjusted gross incomes above \$28,000. Employment-related expenses are limited to \$2,400 for one qualifying individual and \$4,800 for two or more qualifying individuals. The maximum value of the credit ranges from \$480 to \$720 for a taxpayer with one child and \$960 to \$1,440 for a taxpayer with two or more children. (The dollar amounts are not indexed.)

To qualify for the credit, a taxpayer must provide over half the costs of maintaining the household in which the taxpayer and the qualifying individual reside. In order to qualify for a dependency exemption and thus the credit, the taxpayer must also provide over half the support of the qualifying individuals. The taxpayer may not count public assistance (e.g., TANF benefits) as counting toward his or her contribution for the support of the dependent or the maintenance of the household.

Exclusion for Employer Provided Contributions for Child and Dependent Care -- Employers are allowed to exclude the provision of child and dependent care benefits from employees' taxable income and social security earnings. Child and dependent care assistance is defined as an employer's payment of, or provision for, the employment-related dependent care expenses of its employees and includes employer contributions through cafeteria plans. The exclusion is limited to \$5,000 of child care expenses and does not vary with the number of qualifying dependents. The amount of the expenses eligible for the child and dependent care credit is reduced dollar for dollar by the amount of expenses excludable from that taxpayer's income under the child and dependent care exclusion. The benefit of the exclusion to the taxpayer depends on both the amount of qualifying expenses and his or her income and payroll tax rate.

### Description of Options

#### Option 1

Taxpayers generally would no longer be required to provide over half the costs of maintaining the home in which the taxpayer and the qualifying child reside to claim the child and dependent care tax credit. They would still be required to demonstrate that they reside in the same household as the child. A married taxpayer who files a separate return would still have to meet the current law household maintenance test in order to qualify for the credit. (This option was included in

the Treasury Department's "Tax Simplification Proposals," released in April, 1997.)

### Option 2

Beginning in 1998, the credit rate would be 30 percent of qualifying child care expenses for taxpayers with adjusted gross income of \$17,000 or less. For taxpayers with adjusted gross income between \$17,000 and \$44,000, the credit rate would be reduced by one percentage point for each \$3,000 or fraction thereof above \$17,000. The credit rate would be limited to 20 percent of employment-related child and dependent care expenses for taxpayers with adjusted gross incomes above \$44,000. The amount of qualifying child and dependent care expenses would be increased from \$2,400 to \$2,500 for one child and from \$4,800 to \$5,000 for two or more children. Both the beginning point of the phase-down range and the maximum amount of qualifying child and dependent care expenses would be indexed in subsequent years.

### Option 3

Option 2 with the following modification. Taxpayers could claim up to \$4,000 of child care expenses with respect to a qualifying child under the age of six (\$8,000 if they have two or more qualifying children under the age of six). The maximum amount for qualifying child care expenses for preschool children would be indexed in subsequent years.

### Option 4

The child and dependent care tax credit would be made refundable beginning in 1998. However, the credit rate and the amount of allowable expenses would not be changed.

### Option 5

The credit rate, applicable to qualifying child and dependent care expenses, would be increased to 30 percent for all eligible taxpayers. In addition, qualifying child care expenditures would be increased to \$2,500 for one child and \$5,000 for two or more children.

### Very Preliminary Revenue Estimates

#### FY 1999 to FY 2003

Option 1:	-\$300 million
Option 2:	-\$2.5 billion
Option 3:	-\$4 billion
Option 4:	-\$4.5 billion
Option 5:	-\$6 billion

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## Effects of Options

### Option 1 -- Treasury Simplification Proposal (Released April 1997)

- A working parent could be eligible for the credit for child care expenses, even if he or she resided in their parents' home. The child and dependent care tax credit is an adjustment for employment-related child care expenses and should not also be based on a taxpayer's ability to maintain a home.
- Under this proposal, taxpayers would no longer need to demonstrate that they maintained a household in order to claim the child and dependent care tax credit. As a consequence, a single parent or married couple, who reside in another taxpayer's home, would be able to claim these tax benefits if they incur child care costs in order to work. In combination with a Treasury proposal to simplify dependency definitions (also included in the April 1997 package), some welfare recipients would also be able to claim the credit if they worked.
- Under current law, single taxpayers are required to meet two separate household maintenance tests for head of household filing status and for the child and dependent care tax credit. Married couples are generally not required to meet a household maintenance test, except to claim the child and dependent care tax credit. By eliminating the household maintenance test for the child and dependent care tax credit, the proposal would reduce record-keeping for both single and married workers with children.
- The proposal eliminates 6 lines from the instructions to the form 2441 and about half a page (or 81 lines) from publication 503 ( Child and Dependent Care Expenses ).
- Single working parents, who cannot afford to live on their own and who may be making the transition from welfare to work, would be the primary beneficiaries of the proposal.

### Options 2 and 3 -- Increase Child and Dependent Care Tax Credit Dollar Parameters

#### Pros:

- The child and dependent care tax credit parameters have not been adjusted for inflation since 1982. As a result, very few taxpayers are eligible for the maximum credit rate of 30 percent.
- About half of those claiming the child and dependent care credit have expenses above the maximum limits and would benefit if the maximum amount of qualifying expenses was increased above \$2,400 (\$4,800 for two children).
- Increasing the amount of qualifying expenses to \$4,000 for parents with preschoolers would

adjust the limitation for inflation since 1982 and provide parents with a reasonable adjustment for the costs of child care provided through centers. According to HHS, child care provided through centers costs about \$3,700 in 1996.

- Option 2 targets assistance to lower and moderate-income families, who would benefit from an increase in the credit rate.
- By increasing the credit rate for families with incomes below \$44,000, this option particularly benefits single parents. Single parents may face special problems finding child care, because they may not be able to share child care responsibilities with the noncustodial parent.
  - In 1994, over 90 percent of single parents claiming the child and dependent care tax credit had adjusted gross income under \$50,000. In contrast, about 46 percent of married couples claiming the child and dependent care tax credit had adjusted gross income under \$50,000.
- The welfare reform act increases mandatory spending on child care for very low-income families. An expanded child and dependent care tax credit will assist those families who no longer qualify for block grant funds (the near-poor, in particular), because their incomes have increased as they gain work experience.

#### Cons:

- Families need funds for child care assistance in "real time." But most recipients will not be able to obtain the credit until they file a tax return at the end of the year, long after the child care bills have come due.
- The IRS will generally be unable to verify child care expenditures prior to the payment of the credit to the taxpayer, but will not find it cost-effective to recapture erroneous payments to taxpayers. A social service office may be better able to check the authenticity of child care expenditures.
- Given the costs of quality child care, low-income workers are more likely than higher-income taxpayers to rely on informal (non-cash) child care arrangements. A small tax credit is not likely to change low-income mothers' reliance on their relatives and friends to care for their children in their absence.
- Raising the credit rate only for taxpayers with incomes below \$44,000 may be viewed as an increase in the marriage penalty.

## Option 4 -- Make Child and Dependent Care Tax Credit Refundable

### Pros:

- Making the credit refundable will increase the share of federally-assisted child care benefits accruing to low-income families, particularly those with income below the poverty level.
- Among working mothers who pay for child care, low-income working mothers typically spend a greater share of their income for child care than those with higher incomes. In 1991, working mothers with child care expenditures and income below the poverty level spent 27 percent of their family income on child, while those with higher income spent 7 percent.

### Cons:

- Families need funds for child care assistance in "real time." But most recipients will not be able to obtain the credit until they file a tax return at the end of the year, long after the child care bills have come due. Low-income families may find it difficult (if not impossible) to rearrange their finances or borrow against the receipt of a tax credit at the end of the year.
  - To address this concern, advance payments of the credit could be made available, but experience with the EITC suggest that most taxpayers will not take advantage of this option. Eligibility for advance payments may be difficult to verify, unless a government office or employer is required to monitor claims.
- The IRS cannot verify child care expenditures prior to the payment of the credit to the taxpayer, but will not find it cost-effective to recapture erroneous payments to lower-income taxpayers with small tax liabilities. A social service office may be better able to check the authenticity of child care expenditures prior to paying out a voucher.
- Efforts to create new refundable credits have led to intensified scrutiny of the EITC and its compliance problems. The EITC provides a credit of \$3,656 to families with two or more qualifying children with incomes between \$9,140 and \$11,930. The credit for families with one child and income between \$6,500 and \$11,930 is \$2,210. The credit has been sharply attacked by Congressional critics in recent years (and will be attacked again this fall).
  - In the income range where making the child credit refundable matters, the EITC exceeds substantially the sum of income and payroll taxes. Hence, critics of a refundable child credit will be quick to label these payments "welfare" and vigorously fight this proposal.

## Option 5 -- Increase Maximum Credit Rate to 30 Percent

### Pros:

- A uniform credit rate for the child and dependent care tax credit would reduce some of the marriage penalties in the tax code.
- The current tax treatment of child and dependent care expenses creates some inequities among taxpayers and adds complexity in the tax code. A higher, uniform rate for the child and dependent care tax credit may reduce these inequities and simplify tax administration.
  - Under current law, the exclusion is applicable to both income and payroll taxes. Many families may fare better with the exclusion than under the credit, because their combined income and payroll tax rates exceed the value of the credit rate. Some families (including some low-income taxpayers) may fare better under the credit because the credit rate is higher than their combined income and payroll tax rates.
  - As a consequence, the exclusion raises both equity and simplification concerns. Taxpayers can only benefit from the exclusion if they work for an employer who provides child care assistance. Taxpayers who have a choice must compute and compare the value of the tax preference under both the exclusion and the child and dependent care tax credit in order to determine which is more beneficial.
  - The option would make the child and dependent care tax credit more beneficial for many low and moderate-income workers than the exclusion. In many cases, it would be easier for taxpayers to understand that the child and dependent care tax credit was more beneficial, without having to compute and compare their tax liability under both provisions. Further, the more beneficial child and dependent care tax credit would be available to all working taxpayers, regardless of whether or not they worked for an employer who provided child care benefits.
- Taxpayers would no longer have to use a look-up table, which was irrelevant to most, to determine the applicable credit rate.

### Cons:

- This option does not target assistance to low-income families. Taxpayers with incomes below or at the poverty level would not benefit from this option. Even working families with incomes slightly above the poverty level would receive a smaller tax cut than those with higher incomes.

Office of Tax Analysis  
August 19, 1997



## BACKGROUND

### THE CHILD CARE AND DEVELOPMENT BLOCK GRANT

The Child Care and Development Block Grant (CCDBG) is the primary Federal subsidy program specifically devoted to child care. It enables low income parents and parents receiving Temporary Assistance for Needy Families (TANF) to work or to participate in the educational or training programs they need in order to work. Funds may also be used to serve children in protective services.

PRWORA consolidated four child care subsidy programs: AFDC/JOBS Child Care, Transitional Child Care, At-Risk Child Care and the Child Care Development Block Grant. Funds are now available to states in three parts: mandatory funds (based on historical levels of funding for the entitlement programs), matching funds, and discretionary funds. A single lead agency must be identified at the state level to administer the CCDBG funds.

The new CCDBG provides increased Federal funding for child care over past programs--some \$4 B additional over the life of the new law (FY 97 - FY 2002) for a total of around \$22 B. The preponderance of the funds are distributed to States to operate child care subsidy programs and improve the quality and availability of child care.

#### Funding to the States - FY 1997.

FY 97 funding for CCDBG is \$2.9 billion:

In FY 1997, States received close to \$1.2 B in Mandatory Funds.

- o These are 100% Federal funds. A State's share of these Funds is based on the Federal share of its funding for the now-repealed AFDC-linked child care programs (AFDC/JOBS Child Care, Transitional Child Care, At-Risk Child Care). The share is based on Federal funds received in FY 1994, FY 1995, or an average of FY 1992-1994, whichever is greater.

States also are eligible to receive a little over \$.7 B in Matching Funds in FY 1997.

- o These funds are available using a proportional child population formula that was used in the former At-Risk Child Care Program.

- o In order to receive matching funds, a State must maintain effort, i.e., expend its own funds at the level it was matching the former AFDC-linked child care programs in FY 1994 or FY 1995, whichever is greater. A States must also provide matching funds at the Medicaid match rate.

A little over \$.9 B in Discretionary Funds, appropriated in FY 1997, will be distributed to the States in FY 1998.

#### Statutory Limits and Requirements on State Expenditures

States must spend at least 70% of their Mandatory and Matching Funds on families on TANF, transitioning from TANF, or at-risk of becoming eligible for TANF. They are required to demonstrate how they serve those populations in their CCDF Plan. States define the term "at-risk".

States must spend at least 4% of their CCDF funds (Discretionary, Mandatory, and State and Federal share of the Matching Funds) on activities to improve the quality and availability of child care. Under the old AFDC-related programs, there was no quality expenditure requirement. Under the original CCDBG, States were required to spend 25% of their funds on quality activities and activities to increase the supply of before- and after-school care and early childhood development programs.

States must spend no more than 5% of their CCDF funds (Discretionary, Mandatory, and State and Federal share of the Matching Funds) on administration.

#### Eligible Families

By statute, States can serve families whose parents are working or in education or training, and families whose children are receiving protective services.

By statute, States can serve families whose income level is up to 85% of the State median income (SMI) for a family of the same size.

- o Based on a preliminary analysis of plans submitted for the FY 1998-1999 biennium: 10 States placed eligibility levels at up to 85% of the SMI and some 30 additional States set eligibility levels in the 50% through 80% range.
- o The most recent data indicates that the majority of federal child care subsidy serves children below 130 percent of poverty.

## Eligible Children

By statute, a State can serve children under age 13.

- o In FY 1995, 64% of children served through the CCDBG (now the Discretionary Fund of the CCDF) were age 5 and under, 35% were age 6-12, and 1% were over age 13.
- o By regulation, a State may serve children age 13 and over who are under court supervision or are mentally or physically incapable of self care. In ACF's preliminary analysis of the current draft FY 1998-1999 CCDF Plans, we found that 60% of States indicate they will serve children under court supervision. Some 90% will serve children who are incapable of self care.
- o By statute, States must give priority to children with special needs and to children from very low income families. States have the flexibility to define "special needs" and "very low income."
- o States can also give priority to other categories of children. A preliminary analysis of State plans for the upcoming biennium shows that States additionally have chosen to give priority to such categories as teen parents, families in protective services, and families receiving TANF.

## How Families Receive Subsidies and Contribute to the Cost of Care

Families apply for child care subsidies through their local child care resource and referral offices, local welfare offices, family day care network offices or other agents of the Lead Agency.

The statute requires parental choice of provider. Any legally operating child care provider may be chosen. The main categories of child care are center-based care, family day care homes, group family day care homes, and in-home care. Sectarian care and relative care are permissible choices, as well as any other types of legal provider.

The statute requires that the family offered CCDBG-subsidized care be given the choice to enroll the child with a provider that has a grant or contract to provide services or to receive a child care certificate. A certificate is defined in the statute as a check or other disbursement that is issued by a State or local government under the statute directly to a parent who may use the certificate only as payment for child care services. Some States run all-certificate programs. Others offer a mixture of certificates and grants or contracts.

By statute, a State's CCDBG Plan shall certify that payment rates for the provision of child care services for which assistance is provided are sufficient to provide equal access for eligible children to comparable child care services in the State or substate area that are provided to children whose parents are not eligible to receive assistance. States must provide a summary of the facts used to determine that the rates are sufficient to provide equal access.

The statute requires that the family contribute to the cost of care on a sliding fee basis. The CCDBG Plan must include the scale or scales used to determine the family's contribution. The statute requires that the scale be based on family size and income. The State may add other factors, e.g., the number of children in care, rules for counting income. By regulation, States may exempt families below the poverty level from paying the co-payment.

Recent reports by the Census Bureau indicate that families with income below the poverty level pay a disproportionate share of their income--some 18%--for child care; whereas families above the poverty level pay only 7% of their income for child care. In the CCDBG proposed rules, ACF did not propose to limit the family co-payment. As part of its guidance on the statutory concept of "equal access," however, ACF has suggested in its preamble to the CCDF proposed rule that, as a benchmark, a State design its sliding fee scale(s) to require that a family spend no more than 10% of its income on child care, no matter how many children are in care.

#### Quality of Care

By statute, a State must certify that it has in effect licensing requirements applicable to child care services provided within the State. The State must describe those requirements in its CCDBG plan as well as how they are effectively enforced.

By statute, a State must certify that there are in place requirements designed to protect the health and safety of children that are applicable to the providers that serve CCDF children. The requirements shall include:

- o the prevention and control of infectious diseases (including immunization);
- o building a physical premises safety; and
- o minimum health and safety standards.

All providers of care to CCDF children, therefore, must meet the basic health and safety standards--whether through licensure or regulation or through requirements designed by the Lead Agency to apply to unregulated care providers serving CCDF-subsidized families.

States must spend 4 percent of CCDF funds on Quality. Activities usually include efforts to expand and improve training, licensing and resource and referral and outreach and support to new providers.

States additionally have flexibility within the CCDF to create payment rates that reward higher quality care, such as establishing higher payment rates for accredited centers or other child care facilities or rewarding in-home providers with appropriate child care credentials.

## OPTIONS

### INCREASING SUBSIDY TO SERVE MORE CHILDREN

In FY 95, the four federal child care programs were funded at \$2.16 billion. Below is the most recent data from that year on the number of children served in each program:

Program	Children served
AFDC/JOBS	233,029 average per month
AFDC/non-JOBS	209,020 average per month
TCC	141,017 average per month
ARCC	189,891 average per month
CCDBG	662,735 per year

An exact total number of children served with these four programs is not available since numbers from each program cannot be combined due to differences in data collection methodology and lack of information about duplication across data sets.

No current data is yet available on the number of children served by the new unified CCDF program funded at \$2.9 billion in FY 97. Since states have a great deal of flexibility in critical policy areas, we do not yet know how many children will be served. Numbers of children served will depend on state decisions regarding: reimbursement rates, parent co-payments, age of children served, how much is spent on quality and amount of state investment. Rough estimates are that these funds provide a little more than one million slots. Each slot could serve more than one child a year, since children may move in and out of the system.

\$3,000/slot

#### 1. Increase the number of children served with current policies

Under this option, states would be allowed to continue to set all policies with regard to eligibility, reimbursement rates, co-payments, targeting, etc. A specific amount of funds would be added to reach a targeted number of children.

For example, one goal could be to double the number of children over the next five years, reaching approximately 2 million children by the year 2002.

Advantages:

- o Maintains flexibility provided in existing statute for States to tailor program to meet specific State or local needs.
- o Avoids additional regulatory and administrative requirements, e.g. tracking additional "pots" of funding in financial management, reporting, program design.

Disadvantages:

- o Forfeits opportunity to target use of funds to foster national goals.

2. Increase number of children served and target specific ages of children

A. Provide additional funding targeted to care for infants and toddlers.

Advantages:

- o The care infants receive will influence their later lives.
- o Available infant care will also ensure that young families are served, e.g., teen parents with very young children.
- o Targeting infants particularly could help bolster the supply of providers in this area of shortage.
- o Given that, under Temporary Assistance for Needy Families (TANF), States will require parents with very young children to work, the demand for care for very young children may increase dramatically.
- o Under new welfare requirements, parents are required to go to work or attend training when their child is 3 months old. States may choose to exempt parents of children under age 1 from these work requirements. However, many states have are requiring families to work with children under age 1.
- o A recent GAO study found that communities are generally not meeting current demand for infant care. The study found that the percentage of current demand for infant care that is met by the known supply ranges from 16% to 67%, with the gap being particularly great in poor communities.

Disadvantages:

- o Since infants require more specialized care and more individual attention, child care for infants typically is more expensive.
- o There are fewer providers of infant care. There would be a need to assure supply of slots as well the availability of infant child care subsidies.

B. Target additional funding to school-age child care.

There is a prevailing lack of school-age child care, especially in low-income area.

Advantages:

- o School-age care will provide adult supervision so that children will not be alone, keep them off the streets, and ideally, provide them with a range of positive and enriching experiences during out-of-school time.
- o School-age child care costs less than pre-school care, and therefore more children could be served.

Disadvantages:

- o If only school-age child care is targeted, infant and toddler child care, which is expensive and critical to young children's development, might not expand.

3. Increase number of children served and target non-welfare families.

Under this option, all new funds could be directed at non-welfare families. Funds could also be targeted to promote other policy goals such as affordable co-payments and higher reimbursement rates.

Advantages:

- o Would provide a greater degree of assurance that child care assistance is available for non-welfare working families and not disproportionately targeted to TANF families.

Disadvantages:

- o Depending upon the program design could impede State flexibility by making artificial distinctions between categories of families. There is little practical distinction between low-income working families (non-welfare families) and working families who also receive assistance. Low income non-welfare families frequently cycle on and off of assistance (the "one paycheck away from welfare" dilemma of the minimum wage worker) so this artificial categorization is not useful.
- o Targeting low-income working families is unnecessary as there are adequate provisions in the current law to ensure that they are served.

SCHOOL-AGE CARE



## FACT SHEET ON SCHOOL-AGE CHILDREN

Revised September 1996

### CHILDREN'S OUT OF SCHOOL TIME

- **Children spend less than 20 percent of their waking hours in school.** Schools typically are open for less than half the days of the year, and when open provide care only until mid-afternoon. What happens in the other 80 percent is critical to children's development.
- **Whether or not their mother is employed, research indicates that what children do during non-school hours has a critical impact on school achievement and long-term success.** Research indicates that the activities in which children are engaged, as well as the quality of adult supervision they receive, are as important as family income and parents' education in determining academic success.
- **Children spend more of their out-of-school time watching television than in any other single activity. Children's television viewing has been associated with lower reading achievement, behavior problems, and increased aggression.** Television is not necessarily harmful to all children, but when they watch more than three hours a day and/or watch programs with violent content, negative outcomes are increasingly likely.

### SCHOOL-AGE CHILDREN WITH EMPLOYED PARENTS

- **Approximately 24 million school-age children require child care.** According to the Bureau of the Census, in 1991 there were 36.7 million children between the ages of 5 and 14 years living in the U.S. Of these children, 21.2 million lived with a mother who was employed, and an additional 953,000 lived with an unemployed mother (currently seeking employment) and 999,000 lived with a mother enrolled in school. An estimated 912,000 children in this age range lived with a single father who was employed, 61,000 with an unemployed father, and 9,000 with a single father enrolled in school.
- **An estimated 17 million parents need care for their school-age children during their hours of work.** In 1991, the Census Bureau found that 14.9 million employed mothers had children between the ages of 5 and 14. An additional 681,000 mothers were unemployed and 642,000 were enrolled in school. An estimated 728,000 employed single fathers lived with school-age children, in addition to 50,000 unemployed fathers who were seeking employment and 9,000 fathers who were attending school.

## CHILD CARE ARRANGEMENTS OF SCHOOL-AGE CHILDREN

- **Unlike preschool children, school-age children are likely to spend time in many different care arrangements.** According to the National Child Care Survey 1990 (NCCS), 76 percent of school-age children with an employed mother spend time in at least two child care arrangements during a typical week, in addition to their time in school. Based on a nationally representative sample of parents of children under the age of 13, the NCCS examined both primary and secondary care arrangements for school-age children, in addition to the hours they spend in school (see Hofferth et. al., 1991 in references).
- **School-age children of employed mothers are most likely to be cared for by a parent (33%), followed by care by a relative (23%), lessons (15%), center-based afterschool program or day care center (14%), family day care home (7%), self-care (4%), and in-home provider (3%), according to the NCCS.** These percentages reflect the primary care arrangement, or the one where the child spends most of his or her non-school hours during a typical week. Secondary care arrangements are as follows: care by a parent (55%), lessons (19%), relative (14%), self-care (4%), family day care (3%), center care (3%), in-home provider (1%) and other arrangement (1%).
- **Experts estimate that nearly 5 million school-age children spend time without adult supervision during a typical week.** Exact figures are not available, due to parents' reluctance to report that they leave children alone. Older children are much more likely to spend time on their own than younger children. Data from the NCCS suggest that less than 5% of children under age 8 are regularly in self-care compared to nearly 35% of twelve-year-olds.
- **Approximately 1.7 million children in kindergarten through grade 8 were enrolled in 49,500 formal before-and/or-after-school programs in 1991, according to the National Study of Before and After School Programs.** The study found that 83 percent of those enrolled in after school programs are in the pre-kindergarten through third grade age range.

## THE EFFECTS OF OUT-OF-SCHOOL TIME ON FAMILIES AND THE COMMUNITY

- **Studies have found that latchkey children are more likely to engage in risky behaviors, especially urban children and those who have little access to adult supervision.** According to one recent large-scale study, latchkey children are at significantly greater risk of truancy from school, stress, receiving poor grades, risk-taking behavior, and substance use (Dwyer et. al, 1990). These researchers also found that children who spend more hours on their own and those who began self-care at younger ages are at increased risk.
- **A number of studies have found that children who attend good school-age child care programs during the hours when their parents are working may experience positive effects on their development.** Most recently, Posner and Vandell (1994) found that children attending afterschool programs had better peer relations, emotional adjustment, and better grades and conduct in school than their peers in other care arrangements. These children were exposed to more learning opportunities, spent more time in academic activities and enrichment, and spent less time watching television.
- **Teachers and principals are recognizing the positive effects of good quality programs on their students.** The Cooperative Extension Service (Riley et. al., 1994) studied the effects of 64 programs that had received Extension assistance in 15 states. Teachers said that the programs had caused the children to become more cooperative (34%), learned to handle conflicts better (37%), developed an interest in recreational reading (33%), and were getting better grades (33%). Over one-third (35%) of the school principals stated that vandalism in the school had decreased as a result of the programs. In addition, 16 percent of the program children had avoided being retained in grade due to program participation, resulting in a savings of over \$1,000,000.
- **Public officials are recognizing the importance of school-age care.** In a 1995 survey conducted by the National League of Cities (Meyers and Kyle, 1996), child care and before- and after-school care together were seen as one of the most pressing needs for children and families by 92 percent of all respondents. No other need received this rating from such a high percentage of respondents, such needs included: housing, family stability, drug and alcohol abuse, education, crime, welfare reform, and a host of other issues.

## RELATED MATERIALS

Condry, J. (1993). Thief of time, unfaithful servant: Television and the American child. *Daedalus*, 122, 259-278.

Dwyer, K.M., Richardson, J.L., Danley, K.L., Hansen, W.B., Sussman, S.Y., Brannon, B., Dent, C.W., Johnson, C.A., & Flay, B.R. (1990). Characteristics of eighth-grade students who initiate self-care in elementary and junior high school. *Pediatrics*, 86, 448-454.

Hofferth, S.L., Brayfield, A., Diech, S., & Holcomb, P. (1991). *The National Child Care Survey 1990*. Washington, DC: The Urban Institute Press.

Miller, B.M. (1995). *Out-of-school time: Effects on learning in the primary grades* (Action Research Paper No. 4). Wellesley, MA: SACCProject, Wellesley College Center for Research on Women.

Myers, J. and Kyle, J.E. (1996). *Critical needs, critical choices: A survey on children and families in America's cities*. Washington, D.C.: National League of Cities.

Posner, J.K. & Vandell, D.L. (1994). Low-income children's after-school care: Are there beneficial effects of after-school programs? *Child Development*, 65, 440-456.

Riley, D., Steinberg, J., Todd, C., Junge, S., McClain, I. (1994). *Preventing problem behaviors and raising academic performance in the nation's youth: The impacts of 64 school age child care programs in 15 states supported by the Cooperative Extension Service Youth-at-Risk Initiative*. Madison, WI: University of Wisconsin.

Seppanen, P.S., Love, J.M., deVries, D.K., Bernstein, L., Seligson, M., Marx, F., & Kisker, E.E., (1993). *National study of before & after school programs* (Final report to the Office of Policy and Planning, U.S. Department of Education). Portsmouth, NH: RMC Research Corporation.

U.S. Bureau of the Census. (1994b). *Current Population Reports: P70-36. Who's minding the kids? Child care arrangements: Fall 1991*. Washington, DC: U.S. Department of Commerce.

**Resources:**

**School-Age Child Care Project (SACCProject)**  
Center for Research on Women  
Wellesley College  
Wellesley, MA 02181.  
Tel.(617)283-2547  
Fax.(617)283-3657  
Website: <http://www.wellesley.edu/WCW/CRW/SAC>

Resources include *The School-Age Fact Sheet*, *Spotlight on MOST*, and *ASQ Resource Manual*. The Project provides training, technical assistance, consultation, and resource materials.

**National School-Age Care Alliance (NSACA)**  
c/o AYS Services  
4720 North Park Ave.  
Indianapolis, IN 46205  
(317)283-3817

NSACA is the national organization for school-age care professionals, with state affiliates in 35 states.

**School-Age Notes**  
P.O. Box 40205  
Nashville, TN 37204  
Tel.(615)242-8464  
Fax.(615)242-8260

School-Age Notes is a newsletter for the field, and distributes many other publications.

**Search Institute**  
Thresher Square West  
700 South Third St., Suite 210  
Minneapolis, MN 55415  
Tel.(612)376-8955  
Fax.(612)376-8956

Resources on developing programs for youth based on developmental assets.

## OVERVIEW

### Need for After-School Programs

There is a tremendous need for extended-learning opportunities in the United States today.

- **Limited participation.**
  - In 1991, according to the Bureau of the Census, there were 36.7 million children between the ages of 5 and 14 (K through grade 8) living in the U.S.
  - Approximately 24 million of these K through grade 8 school-age children required child care.
  - However, only about 1.7 million children of these children in grades K through grade 8 were enrolled in 49,500 formal before- and after-school programs.
- **Especially limited participation in schoolbased programs.**
  - In 1993-94, according to the National Center for Education Statistics, only 974,348 children in public elementary and combined schools (grades K up to 8) were enrolled in 18,111 before- or after-school programs in public schools.
  - Just 3.4 percent of all public elementary and combined school students (grades K up to 8) were enrolled in before- or after-school programs in public schools.
  - Seventy percent of all public elementary and combined schools (grades K up to 8) did not offer before- or after-school programs.
- **Latch-key child problem.**
  - Estimates of the number of kids in self care (latch-key children) who are unsupervised during non-school hours range from 2 million to 15 million.
  - Experts estimate that about 5 million school-age children spend time without adult supervision during a typical week. Because of self-reporting, however, it is difficult to get a firm figure.

### Barriers to Participation

The most frequent barriers to schools' participation in after-school programs include:

- Lack of resources to offer an after-school program
- Recruitment of a program administrator and staff to run a program
- Unwillingness of the school district to open the building beyond the regular school day
- Unwillingness of the principal to have his/her school used for a program
- Unwillingness of teachers to have their classrooms used for after-school activities
- Negotiations with custodial unions that stipulate building use fees

The most frequently mentioned barrier to participation is the parents' inability to pay the tuition and fees charged by programs.

- Availability
- Parent fees
- Transportation
- Hours of the program
- Quality of activities
- Poor conditions
- High staff turnover

**Components of Successful Extended Learning After-School Programs**

Based on an examination of schoolbased, afterschool programs that have a focus on enrichment and learning activities, the following components characterize these programs:

- Coordination with the regular school day learning program
- Student participation in learning activities
- True linkages between after-school and regular school day personnel
- Hiring of qualified staff
- Low student-staff ratio
- Involvement of parents
- Program evaluation

**Costs of Schoolbased After-School Programs**

Estimated costs of schoolbased, after-school programs, (programs that are housed in a public school either run by the school system, in collaboration with a communitybased organization, or by a schoolbased organization) range in costs according to the types of services delivered.

- Costs per student run between \$2-2.50 an hour
- Transportation costs run about \$1.00 per trip.

## The Need for After-School Programs

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The need for increased opportunities for children to learn and develop in safe and drug-free environments outside of regular school hours is clear. Without affordable, high-quality after-school programs<sup>1</sup> available to parents who work, many children must care for themselves or be supervised by older siblings which can entail excessive television watching and experimenting in risky behaviors such as alcohol and drug use. In communities without libraries, many children do not have access to books and other information resources or adults who can help with challenging homework; as a result, some of these students may not learn the skills they need to achieve their potential. These common sense notions are borne out in the research that shows the importance of providing after-school opportunities for children:

Few opportunities exist for young people. While there has been a growth in the availability of after-school care programs for children over the last 20 years, relatively few organized, extended learning opportunities exist. And even when they do exist, a 1994 survey of parents found that 56 percent think that many parents leave their children alone too much after school.

- **Limited participation.** In 1991, according to the Bureau of the Census, there were 36.7 million children between the ages of 5 and 14 living in the U.S. Approximately 24 million of these school-age children required child care (U.S. Bureau of the Census, 1994). However, only about 1.7 million children from kindergarten through grade 8 were enrolled in 49,500 formal before- and after-school programs (Seppanen, 1993).
- **Especially limited participation in schoolbased programs.** Extended learning programs in schools are even more scarce, especially for older children and youth. According to the National Center for Education Statistics (NCES), in 1993-94, only 974,348 children in public elementary and combined schools (just 3.4 percent of all public elementary and combined school students) were enrolled in 18,111 before- or after-school programs at public schools. Seventy percent of all public elementary and combined schools did not offer before- or after-school programs (NCES, September 1996).

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<sup>1</sup>For the purposes of this paper, the definition used in the 1993 Study of Before and After School Programs of "Before- and after-school programs" applies: Before and After-school programs refer specifically to formally organized services for 5 to 13 year-olds that occur before and/or after school during the academic year and all day when school is closed and parents are at work. These programs include only school- or center-based programs that operate at least two hours a day, four days per week. These programs augment the schoolday, and typically also the school calendar, creating a second tier of services that provide supervision, enrichment, recreation, tutoring, and other opportunities for school-age youth.

- **Latch-key child problem.** Estimates of the number of kids in self care (latch-key children) who are unsupervised during non-school hours range from 2 million to 15 million (Child Care Action Campaign, 1992; Children's Defense Fund, 1989; National Commission on Working Women, 1989; U.S. Bureau of the Census, 1987). Experts estimate that about 5 million school-age children spend time without adult supervision during a typical week (School Age Child Care Project, 1997). Because of self-reporting, however, it is difficult to get a firm figure.

**Parents want more access to extended learning opportunities.** Survey data clearly indicate the demand for after-school programs:

- **Extent of parent demand for access.** A 1997 survey of elementary and middle school parents shows that 90 percent of parents have children that attend an after-school program or would be willing to pay for an after-school program if it was offered to them (National Opinion Research Corporation, 1997).
- **Extent of general public demand for access.** By and large, the public favors keeping school buildings open for use by schoolchildren (with adult supervision): 87 percent after school; 67 percent on weekends; and 72 percent during vacations (Gallup, 1992).
- **Principal agreement.** Principals have long seen a need for extended learning programs; in a 1989 survey, 84 percent of school principals agreed that there is a need for before- and after-school programs (Seligson, 1989). In 1993, the National Association of Elementary Principals printed a book entitled, "Standards for Quality School-Age Child Care."

**Youth are at greatest risk of violence after the regular school day.** According to the Federal Bureau of Investigation, youth between the ages of 12 and 17 are most at risk of committing violent acts and being victims between 3 p.m. and 6 p.m.— a time when they are not in school at the end of the regular school day (FBI, 1993).

- **Child self-care risky.** Children left to themselves or under the care of siblings after school experience greater fear of accidents and crimes and are more bored than children in supervised care. They also are more likely to engage in risk-taking behaviors and drug and alcohol use, and are more often the victims of accidents and abuse. Children who spend more hours on their own and who began self-care at younger ages are at increased risk (Miller and Marx, 1990).
- **Organized activities can counter unsafe behaviors and enhance learning.** Children under adult supervision in a formal program have demonstrated improved academic achievement and better attitudes toward school than their peers in self- or sibling-care. After-school and summer programs can offer the support and supervision children need

in order to learn and to resist the influences of unsafe or violent behaviors (Miller and Marx, 1990).

**Children in quality programs do better in school.** Research indicates that program quality is very important! Children in these programs are exposed to more learning opportunities, spend more time in academic activities and enrichment, and spend less time watching TV. These students have more positive interactions with staff when student to staff ratios are low, staff are well-trained, and a wide variety of activities are offered. Students in quality programs may have better peer relations and better grades and conduct in school than their peers in other care arrangements (Posner and Vandell, 1994).

- **School-age programs of poor quality can harm children.** When school-age programs are well designed, they can raise achievement, but when they are low quality, with poorly trained staff and few age-appropriate activities, participants may do worse in school than children who are cared for by a parent or a sitter or even left alone (Carnegie Corporation of New York, 1996).
- **Teachers and principals recognize the positive effects.** The Cooperative Extension Service found that in programs that had received their assistance, teachers reported that the programs helped the children to become more cooperative, handle conflicts better, develop an interest in recreational reading, and earn better grades. More than one-third of the school principals stated that vandalism in the school decreased as a result of the programs (Riley et al., 1994).
- **Youth need opportunities outside of the regular school day.** Research clearly shows that positive and sustained interactions with adults contribute to the overall development of young people and their achievement in school. After-school activities allow children and youth to explore and master activities (art, dance, music, sports) that can contribute to their overall well-being and achievement (Clark, 1989).
- **Young people want opportunities outside the regular school day.** In a recent survey, young adolescents ages 10 to 15 were asked to identify what they wanted most during their non-school hours. Their responses included safe parks and recreation centers, exciting science museums, libraries with the latest books, videos, and records, opportunities to go camping and participate in sports, long talks with trusting and trustworthy adults who know a lot about the world and who like young people and opportunities to learn new skills (Carnegie Council on Adolescent Development, 1992).
- **Parents rank high computer classes, art and music courses, and community service as activities for after school programs.** In a 1997 survey of parents who indicated they enrolled or would like to enroll their child in an after-school program, 95 percent feel that their child would benefit from an after-school program that included computer technology classes and 91 percent feel their child would benefit from arts,

music, and cultural after-school activities. Among middle school parents, 90 percent favor after-school community service or volunteer opportunities for their children (NORC, 1997).

## Barriers to Participating in After-School Programs

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The most frequent barriers to schools' participation in after-school programs include:

- **Lack of resources** to offer an after-school program
- **Recruitment of a program administrator** and staff to run a program
- **Unwillingness of the school district** to open school buildings beyond the regular school day
- **Unwillingness of the principal** to have his/her school used for a program
- **Unwillingness of teachers** to have their classrooms used for after-school activities
- **Negotiations with custodial unions** that stipulate building use fees

The last barrier is particularly acute in the State of New York. Some union contracts stipulate significant fees for the use of school buildings outside of regular school hours that make the operating costs prohibitive. This is especially a problem for nonprofit organizations in New York City when fees were established as part of the janitorial union contract in 1975, as well as other New York cities (e.g., Buffalo). However, calls to several cities in other states do not indicate a similar problem.

In addition, parents face barriers to their children's participation:

- **Access.** Seventy percent of public elementary and combined (K-8) schools do not offer before- or after-school programs. A mere 3.4 percent of all students in public elementary and combined schools nationwide participate in before- and after-school programs in their schools (NCES, September 1996).
  - **Solutions:** Organizations like the National Community Education Association works with both individual schools and whole districts to make available after-school programming in the public schools. In addition, the Partnership for Family Involvement in Education, like many organizations, has pledged as part of the Presidents' National Volunteer Summit to work more vigorously in this area and create 500 new after school program in 1997.
- **Parent fees.** After-school activities for children may require fees which parents are unable or unwilling to pay. Parent fees make up approximately 80 percent of the budget of school-based programs (Seppanen et al., 1993). Waivers and scholarships are available on a very limited basis. Programs in high poverty areas simply do not have enough resource to serve the large numbers of children who wish to attend. Many good programs have long waiting lists. In cases when parents cannot afford child care, students may not participate because they are needed at home to care for younger siblings.

- **Solutions.** In 1991, almost 40 percent of public school programs offered a sliding scale for parent fees based on parents' ability to pay (Seppanen, 1993). In addition, the federal Title I program can be used for after-school programs, thus defraying fees. Finally, some programs like the Virtual Y make their program free to families, raising the money in the community.
- **Transportation.** The lack of safe and available transportation may prevent many of these children from participating in before- and after-school programs. Many programs do not provide transportation after the extended learning day. In addition, children who attend school outside of their neighborhood, because of a desegregation plan, school choice, or other reason, may not be able to participate unless provisions are made for early and late buses. Finally, some districts charge bus fees to access after-school transportation, which can inhibit participation among moderate and low income families.
  - **Solutions.** Based on the number of children participating in after-school programs, some schools offer late buses as part of their regular bus fleet runs. Where programs are offered in neighborhood schools, parents may be readily able to pick up their children from the school. However, in 1991, 20 percent of parents asked for transportation as a component of the after-school program their child was enrolled in when it was not offered (Seppanen, 1993).
- **Hours of the program.** Most programs operate according to the school calendar rather than parents' work schedule, in which case parents must make alternative arrangements for child care or leave children on their own.
  - **Solutions.** Programs like the Beacon Schools and IS 218 are open hours beyond the regular 3 p.m. to 6 p.m. after-school program, operating until midnight and 9 p.m., respectively.
- **Quality of activities.** Parents and students may choose not to participate because of unchallenging curriculums. Some programs may be perceived as merely providing supervision, rather than enrichment and extended learning opportunities. Activities may not address the needs of older students. Also, before- and after-school programs may not coordinate with the regular school program to help students who are falling behind in a particular subject and to reinforce what's happening in the classroom.
  - **Solutions.** Like programs operated at I.S. 218 in New York City and at the Seattle Title I school program run by Bailey Gatzert Elementary School, afterschool programs should be designed to coordinate with the regular school day and offer challenging complementary activities. Programs should have materials available to them and be aware of best

practices, perhaps employing the School Age Child Care Project standards of excellence.

- **Poor conditions.** Before- and after-school programs often have to make do with the resources available. Almost one-third of programs report a difficulty sharing space in schools and other facilities. Other common problems include a lack of activity space, no room to expand, and insufficient storage.
  - **Solutions.** Real and honest communication must take place between staff from the after-school program and the regular teaching force about the use of classrooms and other facilities. This is the most commonly discussed barrier among those groups that operate programs and communication is the only way to resolve the situation.
- **High staff turnover.** Before- and after-school programs suffer from a high staff turnover rate due to low wages and lack of benefits. While some programs do not have this problem, those that do experience a 60 percent turnover rate. This lack of continuity affects the quality of the activities, of the program as a whole, and of the bonds created between the children and staff.
  - **Solutions.** After-school programs need to be re-thought of as an extension of the regular school day with many of the same personnel that would be found during the regular school day, such as classroom teachers, participating but at perhaps a lower ratio than the regular school day. In the Murfreesboro, Tennessee program, this is accomplished by staggering teacher starting times. In after-school care situations, the quality of after-school staff is directly linked to the quality of the program offered. Wages and benefits must be calculated as an important part of the program. When teachers are used in extended learning programs, some of this turnover associated with day care can be resolved.

## Necessary Components of An After-School Program

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The most important part of any after-school program is that kids have a safe, learning environment with adults who clearly care for them.

Common elements across extended learning programs in schools. When we examine exemplary in-school programs that offer both enrichment and instructional activities (community schools in Flint, Michigan; after-school programs in Murfreesboro, Tennessee, I.S. 218 in New York City, and the soon-to-be implemented Virtual Y in New York City; the 21st Century Community Learning Centers) after-school, we find the following common elements:

- **Coordination with the regular school day learning program.** More than a latch key after school program, the extended school day should dovetail with the classwork engaged in throughout the day. This was also a major recommendation of the Carnegie Corporation's report, *Years of Promise: A Comprehensive Learning Strategy for America's Children*.
- **Student participation in learning activities.** The atmosphere should be more relaxed but it should be instructional allowing for hands-on projects, enrichment classes, reading, math, mentoring, sports, computer lab, music, arts, community service, trips, and even entrepreneurial workshops.
- **True linkages between after-school and regular school day personnel.** Support of and coordination with the school so that there is true partnering with the school and all school personnel in an atmosphere of mutual respect with regard to the use of facilities and materials, and the creation of a welcoming environment for parent, and community volunteers.
- **Hiring of qualified staff.** Programs should hire qualified staff, provide on-going training for staff, and be willing to pay for that quality. Staff usually include a program administrator, paraprofessionals, college students, and teachers. In some cases of, when teachers are part of the program, they participate on the basis of a staggered school day where their day begins at 11 a.m. and ends at 6 p.m.
- **Low student-staff ratio.** For true student enrichment, the student-staff ratio should be low, especially when tutoring or mentoring activities are taking place.
- **Involvement of parents.** Opportunities for parents to be part of the afterschool program by offering orientation sessions, workshops, serve as volunteers, serve on a

parent advisory committee, and take part in classes that may be offered in computers or English as a Second Language.

- **Program evaluation.** From the beginning of a program, there should be a plan for measuring success, based on the goals set for the program—including student improvement in their regular school program. Both continuous improvement strategies and outside evaluations by a local university or board of education should be employed.

Researchers have also begun to identify core elements of after-school care programs and quality standards.

**Characteristics of Quality After-School Programs as Assessed by the University of Wisconsin.** The University of Wisconsin-Madison is conducting a study of after-school programs and assessing after-school care program quality. Programs being examined include those operated by for-profit agencies, non-profit programs, and programs located in schools. The University of Wisconsin study is assessing quality programs on the following components:

- tone and quality of interactions between children and staff
- caregiver skill
- presence of age-appropriate programming and activities
- level of child satisfaction
- level of parent satisfaction
- flexibility of programming and child choice of activities
- regulatable characteristics such as staff-to-child ratios, levels of staff education, and space available for activities.

Knowing the kind of program a child attends (e.g., for-profit or nonprofit) offers clues about the quality of care provided. For example, children in for-profit programs generally have more unoccupied time, spend more time watching television and videos, and spend more time not interacting with anyone, when compared with children attending nonprofit programs. For-profit programs also tend to offer fewer positive interactions between staff and children and offer fewer programming alternatives, when compared to nonprofit programs. Parents of children attending for profit programs report lower satisfaction with those programs, compared with nonprofit programs located in schools and those operated by community centers.

Program quality also varies across elements that are potentially regulatable, such as program size and caregiver education levels:

- **Size.** Children in small programs (41-60 children) have more and more positive interactions with caregivers and with other children.

- **Child-to-staff ratios.** Larger child-to-staff ratios (greater than 13-1) are associated with more time waiting in line and with caregivers showing poorer behavior management skills.
- **Caregiver education.** Higher levels of education are related to fewer negative interactions between caregivers and children and greater parental satisfaction.
- **Caregiver experience.** Caregivers with 25 to 36 months experience had better behavior management skills and more positive regard for children compared to those with more or less experience.

**Core Components from the Carnegie Council on Adolescent Development.** Whether an after-school program is located in a neighborhood school or community facility, effective programs identified by the Carnegie Foundation include the following key elements:

- A research base and needs assessment.
- A basic understanding of social relationships.
- Involving parents.
- Tailoring programs to community needs.
- Capturing interest.
- Providing food.
- Setting clear rules.
- Collaborating with local community organizations.
- Being safe and accessible for all children.
- Providing linkages to schools.

**Standards for Quality After-School Care as developed by Wellesley College, Institute for Out of School Time.** Standards of quality for after-school care have been developed by the Wellesley College School-Age Child Care Project (now the Institute for Out of School Time). The National Association of Elementary School Principals were also involved in developing these standards.

- **Human Relationships.**
- **Indoor Environment.**
- **Outdoor Environment.**
- **Activities.**
- **Safety, Health, and Nutrition.**
- **Administration.**

## Costs of After-School Programs

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Costs vary widely in implementing after-school extended learning programs. The major sources of variation in the cost of extended-hours programs run by public schools are:

- **Salaries of program staff**
- **Type and extent of services offered, including any materials**
- **The number of children served in the program**

These costs can vary widely depending on the level of staff expertise, the scope of the director's responsibilities; and local custodial rates. Most programs pay for instructional staff, a part-time director who receives a salary supplement, and custodial services. Materials costs vary extensively, and can be minimal, or very substantial, depending on the activities a program offers. Programs depend upon a variety of sources for their funding, including donations and government and foundation grants based upon the services which they provide.

The costs below are for school-sponsored programs; programs sponsored by other organizations appear to have somewhat lower costs, primarily due to using lower cost (non-school) personnel.

**Hourly program cost per child:** The costs of typical after-school programs vary significantly depending to the scope of the program, the level of staff expertise, and the materials used in the program.

- **Lower range costs.** The lower range of the cost estimate assumes that program staff will be supplemented by volunteers or low-level staff (college-students, etc.), and that program activities will include academic and enrichment work, but will not require a significant amount of new materials. Lower cost programs often center around providing homework assistance, recreation, and provide art and enrichment activities which do not require large expenditures for materials or professional staff (e.g. professional music teachers).
- **Higher range.** The higher range of the cost estimate assumes that programs will use certified teaching personnel and more experienced staff to provide instruction, and a full-time program director; program activities may include substantial amounts of enrichment activities (e.g. art and music classes) as well as significant materials expenditures (e.g. computer labs, art supplies). Higher costs programs are able to provide a wider range of options for students, and usually include targeted academic assistance, enrichment activities supervised by well trained staff (e.g. an art class taught by an art instructor), and may feature computer labs or field trips.

**Hourly program costs per student.** Hourly program costs typically range between about two to two and a half dollars per student (assuming three hours after school, five days each week, and a ratio of 10-12 students per instructional staff member)

**Estimated hourly cost per student: \$2.00 to \$2.50**

**Yearly program costs per student.** Per student yearly program costs range from \$1,050 to \$1,575, (assuming three hours after school, five days per week, thirty-five weeks, ratio of 10-12 students per instructional staff member)

**Estimated yearly cost per student: \$1,050 to \$1,575**

**Yearly program cost.** In a typical elementary school of 450 kids, yearly costs for after school programs range from \$157,500 for low-cost programs serving approximately a third of the student body (i.e. 150 students) to \$500,000 for higher-cost programs serving most of the student body (i.e. almost all of the 450 students; note: assume that marginal costs per student should decline with increased utilization).

**Estimated total yearly program cost: \$157,000 to \$500,000**

**Transportation costs.** Many programs do not report paying any additional transportation costs; programs which do provide extra transportation report paying about \$1.00 per child, per trip (assume \$25 per hour for bus drivers, \$1.00 per mile for bus use, gas, and maintenance, 30 miles per day, 45-60 students per bus).

**Estimated cost per student per trip: \$1.00**

## OVERVIEW

### U.S. DEPARTMENT OF EDUCATION'S AFTER-SCHOOL ACTIVITIES

**Title I.** The 1992 reauthorized Title of the Elementary and Secondary Education Act (the Improving America's Schools Act) includes strong language recommending use of effective instructional strategies that "give primary consideration to providing extended learning time such as extended school year, before-and after-school, and summer programs and opportunities." In Spring 1996, 64 percent of principals in Title I schools reported using Title I funds for before or after-school efforts. The Department produced *Extending Learning Time for Disadvantaged Students: An Idea Book* in 1995.

**21st Century Community Learning Centers.** As part of the Improving America's Schools Act, after-school programs were encouraged through 21st Century Community Learning Centers. The Department is seeking \$50 million from Congress to fund about 500 pilots in FY 1998. The Senate has marked the appropriation at \$1 million while the House fully funded the program at the \$50 million.

**Partnership for Family Involvement in Education.** The Community Sector of the Partnership for Family Involvement in Education embraced bolstering after-school programs in the sign-on pledge. They also helped write a guidebook on keeping schools open for extended learning. Finally, the steering group of the Partnership voted to make after-school opportunities a nationwide initiative of the Partnership.

**Keeping Schools Open Guidebook.** In May, 1997, the First Lady released *Keeping Schools Open as Community Learning Centers: Extending Learning in a Safe, Drug-free Environment Before and After School*. The Department of Education wrote the step-by-step guidebook on how school facilities can be used for after-school programs with the National Community Education Association, Policy Studies Associates, and the America Bar Association.

**America Reads Challenge.** The President announced the America Reads Challenge in Summer 1996 that focuses on bringing all third graders up to basic proficiency on national reading tests through the use of volunteers working in before and after-school and summer programs. This summer, 1.5 million elementary school children were tutored through the summer component of the America Reads Challenge, READ\*WRITE\*NOW!

**Summit Commitment.** As part of the Presidents' Volunteer Summit, the Department pledged a nationwide effort to develop 1,000 new after-school partnerships by December 1997 through the 21st Century Community Learning Centers program.

**America Goes Back to School.** A major thrust of this year's America Goes Back to School: Answering the President's Call to Action has been on showcasing after-school programs. Every interested citizen writing in for a kit receives examples of after-school programs.

**Family Reunion VI Survey.** As part of the Vice President's Family Reunion VI conference, "Families and Learning," a survey sponsored by the U.S. Department of Education, the Partnership for Family Involvement in Education, and GTE found that 82 percent of parents have a child who attends an after-school program or would like their child to attend an after-school program. Computer classes, art and music courses, and community service rank high as activities for after-school programs (see attachment).

**Training and Evaluation Guide.** The Department is planning a follow-on document to *Keeping Schools Open* that will focus on training for staff in after-school programs and how to provide a continuous improvement model for extended learning programs' self evaluation. Discussion are underway with the Institute for Out-of-School Time on the project.

<b>Beyond the school day and the school year</b> (Percent of all parents who:)			
	<b>All Parents</b>	<b>Elementary School Parents</b>	<b>Middle School Parents</b>
Have a child in an after-school program	35	32	39
Pay fees for an after-school program	17	19	15
Are interested in free after-school programs	79	77	81
Would pay a fee for an after-school program	73	72	74
Have a child in a school-based summer program	18	19	16
Paid for a school-based summer program	9	9	9
Are interested in a free school-based summer program	70	68	72
Would pay a fee for a school-based summer program	73	70	76

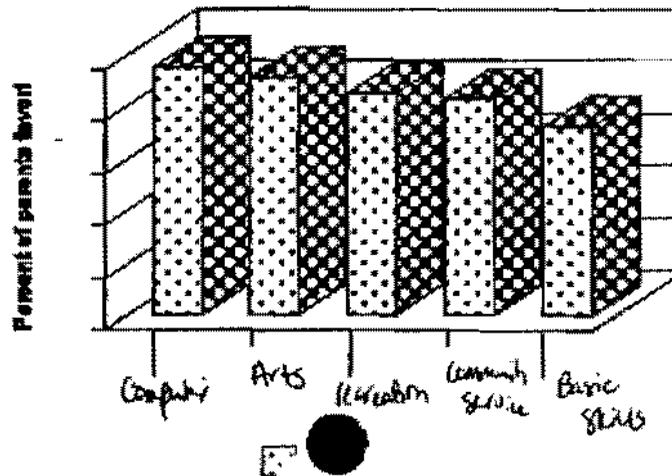
- Parents express a strong demand for after-school programs: 82 percent of parents have a child who attends an after-school program or would like their child to attend an after-school program.

### After-School Activities: What do parents want?

(Percent of parents with children in after-school programs or who would like their children to attend an after-school program reporting that their child would benefit from:)

	Parents Who Want or Use After-School Programs	Elementary School Parents	Middle School Parents
Computer technology classes	95	96	95
Arts, music and cultural programs	91	94	88
Supervised recreational activities	85	86	85
Community service or volunteer opportunities	83	76	90
Basic skills enrichment or tutoring	73	71	75

- Of these parents (who enroll or would like to enroll their child in an after-school program), 95 percent feel that their child would benefit from an after-school program that included computer technology classes and 91 percent feel that their child would benefit from arts, music and cultural after-school activities. Among middle school parents, 90 percent favor after-school community service or volunteer opportunities for their children.



**FACT SHEETS**



child care and  
early education

## KEY FACTS ON CHILD CARE AND EARLY EDUCATION

### How many children need child care in the U.S.?

12 million children under age 6 and 17 million children between the ages of 6 and 13 have both parents or their only parent in the work force.

(Source: composite figure of Bureau of Labor Statistics data, *National Child Care Survey*, 1990, Hofferth, *et al.* Urban Institute Press, Washington, DC, 1990, and Child Care Action Campaign calculations)

### How many children have received child care and early education before they enter kindergarten?

By the age of six, 84% of children have received supplemental care and education.

(Source: U.S. Department of Education, National Center for Education Statistics, *National Household Education Survey*, 1995)

### What kind of child care do families use?

According to the U.S. Census Bureau, of the 9.937 million preschoolers (under age 5) with employed mothers in 1993:

- 29.9%, or 2,972,000, were cared for in child care facilities (*i.e.*, child care centers, nursery schools, preschools).
- 25.3%, or 2,516,000, were cared for by relatives either in the child's home or in the relative's home.
- 22.2%, or 2,201,000, were cared for by their own parents (mothers while working at home or away from home: 6.2% or 616,000; fathers caring for children at home: 16% or 1,585,000).
- 16.6%, or 1,645,000, were cared for in the home of a non-relative provider.
- 5.0%, or 492,000, were cared for in their own homes by non-relatives.
- 1.0%, or 111,000, were cared for in other arrangements.

(Source: Casper, Lynn M., *Current Population Reports: Who's Minding Our Preschoolers?*, U.S. Census Bureau, March 1996)

**What is the percentage of mothers in the workforce whose youngest child is age 12 or under?**

- Youngest is under the age of one - 56.9% (or 1,651,000)
- Youngest is under the age of three - 58.7% (or 5,650,000)
- Youngest is under the age of six - 62.3% (or 10,395,000)
- Youngest is between the ages of six and thirteen - 75.1% (or 10,003,000)

(Source: Bureau of Labor Statistics, Division of Labor Force Statistics, "Employment status of the civilian noninstitutional population by sex, age, presence and age of youngest child, marital status, race, and Hispanic origin, March 1995, Table 3, unpublished data)

**What is the average family expenditure for child care, and what proportion of family income does this represent?**

Families with employed mothers of preschool children (under age 5) spend an average of \$74 per week on child care, or about 8 percent of their annual income.

Families whose monthly income was:

- Less than \$1,200 paid \$47.29/week or 25% of their income.
- \$1,200 to \$2,999 paid \$60.16/week or 12% of their income.
- \$3,000 to \$4,499 paid \$73.10/week or 8% of their income.
- \$4,500 and over paid \$91.93/week or 6% of their income.

(Source: Casper, Lynn M., *Current Population Reports: What Does it Cost to Mind Our Preschoolers?*, U.S. Census Bureau, September 1995)

**What is the size of the child care work force in the U.S.?**

There are approximately 3 million child care teachers, assistants, and family child care providers in the U.S.

(Source: NCECW, figures derived from Hofferth, S., et al., *The National Child Care Survey Revisited*, 1991, The Urban Institute)

**Family Day Care**

- Regulated family child care providers = 298,515
- Non-regulated family child care providers = 550,000 to 1.1 million<sup>1</sup>

**Center-Based Care**

There are 93,221 licensed child care centers nationwide.<sup>2</sup>

(Sources: The Children's Foundation, *1996 Family Child-Care Licensing Study*, 1996)

<sup>1</sup> Estimated by Willer, B. et al., *The Demand and Supply of Child Care in 1990: Joint findings from The National Child Care Survey 1990 and A Profile in Child Care Settings*, a joint publication from: National Association for the Education of Young Children, Administration on Children, Youth and Families, U.S. Department of Health & Human Services, and the Office of Policy and Planning, U.S. Department of Education)

<sup>2</sup> State licensing requirements vary. States may or may not require licensing of Head Start programs, pre-schools, nursery schools, prekindergartens, religiously affiliated centers, or programs operated by public schools.

### **What is the average salary for child care providers?**

Teachers, Assistant Teachers, and Teacher-Directors working in child care centers earn an average of \$6.89 per hour, \$12,057.50 for 35 hours/week, 50 weeks/year.

(Source: *Cost, Quality & Child Outcomes*, University of Colorado at Denver, 1995)

### **What is the average turnover rate for child care providers?**

The turnover rate for all providers in child care centers is 36% per year.

(Source: *Cost, Quality & Child Outcomes*, University of Colorado at Denver, 1995)

In contrast, average turnover in other professions is much lower. The turnover rate for public school teachers is 5.6% per year.

(Source: *National Child Care Staffing Study Revisited: Four Years in the Life of Center-Based Child Care*, 1993)

### **How much does American business lose each year due to child care problems?**

U.S. employers lose \$3 billion annually due to child care-related absences.

(Source: Reisman, Barbara, *Child Care: The Bottom Line*, p. 66, Child Care Action Campaign, 1988, based on Bureau of Labor Statistics data, 1988)

### **How many U.S. businesses offer work-family benefits to their employees?**

Approximately 6,000 employers nationwide offer work-family benefits to their employees. Four percent of all employees are eligible for employer-assisted child care benefits in the U.S.

(Source: Bureau of Labor Statistics, *Employee Benefits in the United States 1993-94*, March 1995)

### **How many U.S. businesses provide on-site or near-site child care for employees who pay for it?**

Approximately 2,200 employers sponsor child care centers.

(Galinsky, E., *The Changing Workforce*, Families & Work Institute, 1993)

**Public sector:** The U.S. Government operates over 800 on- or near-site centers in the U.S. and abroad. Six hundred forty-four of these are sponsored by the U.S. Armed Forces.

(Source: Wohl, Faith, interview in "Uncle Sam Leads the Way on Worksite Child Care," *Child Care ActionNews*, January-February 1996)



child care and  
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## CORPORATE PRODUCTIVITY, CHILD CARE, AND WORK-FAMILY POLICIES

### The changing workforce

In the past forty years, the nature of the American work force has changed dramatically, bringing with it equally dramatic changes in family life:

- Fewer than 10 percent of all households are headed by a male breadwinner with a wife at home.
- Half of all mothers with children under one year of age are working outside their homes.
- Eighty-seven percent of American workers--men and women--have some day-to-day responsibility for family members and 47 percent have dependent (child or elder) care responsibilities (Galinsky *et al.*, *The Changing Workforce*, 1993, Families & Work Institute).
- By the year 2005, more than 70 percent of women in the work force will have children in need of child care or after-school care, based on current population projections.

Source: Census Bureau, Bureau of Labor Statistics, unpublished data, 1993, 1995; Fullerton, Edward J, "The 2005 Labor Force: Growing, but Slowly," *Monthly Labor Review*, p.30, Table 1, November 1995.)

A survey of 5,000 employees at five major U.S. corporations found that 82 percent of working parents missed days at work, were tardy, had left work early, or had used work time to deal with various child care problems. A number of national surveys have estimated such lost work time to be between six and eight days per parent annually (Hernandez, *Child Care and Corporate Productivity*, 1986). This translates into a \$3 billion loss annually for American businesses, according to the Child Care Action Campaign.

### The changing workplace

The workplace, too, is changing dramatically. In the past decade, many companies have restructured, drastically scaling back on their workforces to increase profitability and competitiveness. Companies continue to search for ways to cut costs, improve quality, and maintain flexibility.

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The employment contract has changed for employees at all levels. No longer can production workers, service employees, or even managers count on lifetime employment, steady career advancement, and ever-increasing salaries and benefits. Yet at the same time, "[companies] are asking employees to work harder and smarter, to provide better customer service, and to be ready willing to change with a newly flexible organization" (Work/Family Directions, Inc., *The Business Case for Work and Family Policies and Programs*, Boston, MA).

### **The role of business**

Convinced that work/family conflict affects productivity, more companies are recognizing that flexible work options and dependent care benefits are smart investments in their current and future workforces. Improved employee recruitment and retention, productivity, and loyalty are important results of these benefits that feed directly into a company's bottom line. Also, many companies are thinking ahead, and realize that investment in child care and early education today results in a better educated and prepared work force tomorrow.

Parents know their children need good quality child care, but many can't find it in their communities. If parents do find good quality child care, they often can't afford it. Parents need help bridging the gap between what good quality child care costs and what they can afford. They also need help locating good quality child care settings in their communities. A growing number of companies now respond to their employees' child care needs in a variety of ways.

Employers may provide one or more of the following dependent care benefits:

- Access to child care resource and referral services.
- On-site or nearby child care centers.
- Emergency care for ill children.
- Dependent Care Assistance Plans (DCAP), which allow employees to pay for child care out of pre-tax earnings.
- Seminars and workshops on child care and child care support services.
- Paid family leave.
- Flextime and other work scheduling such as work-at-home or compressed workweeks that help families balance work schedules with parental responsibilities.
- Child care subsidies to help lower-wage employees afford child care.

There is some evidence of growth in employer-supported benefits. In 1993, approximately 2,200 employers in the United States sponsored child care centers (Families & Work Institute, *Workforce*), with 6,000 employers nationwide offering some form of work-family benefits (Bureau of Labor Statistics, *Employee Benefits in the United States 1993-94*, March 1995). The U.S. Government operates over 800 on- or near-site child care centers in the U.S. and abroad. Six hundred forty-four of these are sponsored by the U.S. Armed Forces (Faith Wohl, interview in "Uncle Sam Leads the Way on Worksite Child Care," *ChildCare ActionNews*, January-February 1996). Uncle Sam, the nation's largest employer, also is its largest supporter of worksite child care programs (Wohl, *ibid.*).

### **Investment in community child care resources: American Business Collaboration**

A growing number of companies recognize that investing in the child care resources in the communities in which they operate is a cost-effective way to satisfy the child care needs of employees, improve corporate productivity, and improve the community's resources for the benefit of families. These have taken the form of direct corporate investments in community-based child care programs in centers and family child care homes, in resource and referral services, and in the

of dependent care programs that may involve a consortium of corporations and, in some unions.

One of these investors in community resources is the American Business Collaboration for Dependent Care (ABC), a coalition of 156 major U.S. corporations, government entities, and nonprofit organizations established in 1992. During the first phase of the ABC's initiative, in 1992, members of the group invested more than \$27 million in 45 communities in 25 states and the District of Columbia. In September 1995, 21 "champion" corporations of the original group pledged to invest a total of \$100 million over the next 10 years to develop and strengthen school-age child care and related projects in communities across the country. This is believed to represent the largest single investment in dependent care ever by the private sector.

### Examples of corporate dependent care programs

In Charlotte, North Carolina, NationsBank offers resource and referral services, numerous dependent care assistance policies, and a near-site child care facility for its headquarters, and has contributed more than \$900,000 in seed money for a center for its employees in Atlanta. In addition, NationsBank has invested \$25 million to provide child care benefits, such as income-based child care allowances.

Other corporations are addressing the child care needs of lower income workers. A division of ConAgra Refrigerated Foods Company, Butterball Turkey, has invested corporate funds into on-site and near-site child care centers for low-income employees at its Arkansas and Missouri plants. Motivated by concerns about worker loyalty and productivity and by employee surveys that found that child care was a workers' second greatest expense, CONAGRA now provides care for all shifts (6:00 a.m. to midnight), operates after-school and summer school programs for children and infants, and reimburses employee expenses through pre-tax payroll deductions.

Fel-Pro, Incorporated, a Skokie, Illinois-based manufacturer of automobile sealing products, employs approximately 2,000 people in three states and overseas, and expresses its commitment to them through the benefits it offers. Its work and family benefits package -- costing about \$700 per employee -- includes: on-site child care, an elder care resource and referral service, a sick child care allowance, an ill emergency care service, and subsidized tutoring and college scholarships for employees' children. A University of Chicago study of 882 Fel-Pro employees found that 92 percent of the respondents indicated that the company's benefits make it easier to balance their work and their family lives. Of those with children, 72 percent agreed that Fel-Pro's benefits have helped them do things they would not otherwise have been able to do (*Added Benefits: The Link Between Responsive Policies and Job Performance*, University of Chicago, 1993).

### Small businesses respond too

Over 37 million Americans work for companies with fewer than 100 employees, according to the Small Business Bureau. However, a company's small size does not have to limit its ability to provide child care benefits to its employees. With proper planning and strong commitment on the part of the employer, the goal of meeting employees' child care needs can be achieved. Moreover, the benefits to small employers are much the same as those commonly reported by large corporations: improved employee productivity and morale, an increased ability to attract and retain top talent, and a better image in the community. Child care options that work especially well for small businesses include:

Child care subsidies.

- Financial assistance, through the pre-tax Dependent Care Assistance Plan (DCAP).
- Resource and referral services.
- A flexible benefits plan which offers employees the opportunity to choose from a menu of benefits that include some form of child care.
- The direct provision of a licensed on- or off-site child care facility.
- Consortium centers.

**Chalet Dental Clinic** in Yakima, Washington, with 50 employees, operates an on-site child care center used by 15 of its employees, which is its maximum capacity. When space is available, the clinic opens the center to non-employees in the community, and patients may use the center at no charge during their office visits. Employees pay low daily fees for using the center, which serves children up to five years of age; and the employer reports that the operating costs for the center are approximately \$2,500 to \$3,000 monthly. The employer reports that publicity surrounding the clinic's center has helped reduce the clinic's recruiting costs, and that benefits to the employees outweigh the center's operating costs. The clinic also offers employees up to three months of unpaid parental leave (Child Care Action Campaign, *Not Too Small to Care: Small Businesses and Child Care*, pp.26-28; telephone interview, 1997).

In its eleventh annual survey (1996) of the 100 best companies for working mothers, *Working Mother* magazine included two companies with fewer than 100 employees. The smallest company on the list was **Tom's of Maine**, a manufacturer of natural personal care products, with 68 employees. The company subsidizes the cost of child care for employees earning less than \$22,500 annually, and provides a smaller subsidy for employees earning between \$22,501 and \$32,500. The company also provides four weeks of fully paid parental leave, work at home, job sharing, compressed workweek, and flextime options.

**VCW, Inc.**, which sells insurance and other products to truckers and employs 70 persons, provides on-site child care, with fees below market rates, with back-up care also available. Employees have work at home, flextime, and compressed workweek options.

#### **Child care benefits boost the bottom line**

Businesses that help employees with child care also benefit from decreased absenteeism and turnover, improved productivity and morale, and less staff turnover, which has in turn led to lower recruitment and training costs. A 1994 comparative study of Johnson & Johnson's employees found that 71 percent of those employees who utilized family-supportive policies at the company ranked this reason as "very important" in deciding to stay at Johnson & Johnson (Families & Work Institute, *An Evaluation of Johnson & Johnson's Balancing Work and Family Program*, Executive Summary, April 1993).

If American employers understand that people are the critical resource responsible for the success of any business, they will realize the value of understanding and responding to employee's needs. American businesses are realizing that if child care and other dependent care problems are solved, productivity can be increased and worker stress can be alleviated. The very small number of employers who currently support comprehensive work-family initiatives for their employees must radically increase if the long-term success of business, and the nation, is to be ensured. As the Fel-Pro study states, "Demographic and economic trends indicate that it is time for American business to learn to make the most out of the vast human resources available ... Providing family responsive policies in the workplace helps accomplish this goal" (University of Chicago, *Op. cit.*, p.10).

## Fact Sheet

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# Administration for Children and Families

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## Administration on Children, Youth and Families

### Child Care and Development Fund

The newly established Child Care and Development Fund (CCDF) has made available \$2.9 billion to States. Tribes receive approximately \$59 million for FY 1997. This new program, authorized by the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, PL 104-193, will assist low-income families and those transitioning off welfare to obtain child care so they can work or attend training/education. The award represents an increase in child care funding of \$568 million for States over FY 1996.

The Child Care and Development Fund brings together, for the first time, four Federal child care subsidy programs and allows States to design a comprehensive, integrated service delivery system to meet the needs of low-income working families. Additionally, the Child Care and Development Fund sets aside a minimum of four percent of Federal and State funds to improve the quality and availability of healthy and safe child care for all families.

### Major Change for Child Care

The major change for child care services under the Child Care and Development Fund is the requirement for States to serve families through a single, integrated child care system. Four Federal child care programs are now combined. Three programs, AFDC/JOBS Child Care, Transitional Child Care, and At-Risk of Welfare Dependency Child Care (formerly called Title IV-A child care), have been repealed and all child care funding is now combined under the former Child Care and Development Block Grant (CCDBG) program. CCDBG regulations will apply to the combined Child Care and Development Fund program where they correspond with the statute. New regulations will be developed to revise the old regulations and make them conform with the new law.

### Child Care Services Funded by CCDF

Subsidized child care services will be available to eligible parents through certificates or contracted programs. Parents may select any legally operating child care provider. Child care providers serving children funded by CCDF must meet basic health and safety requirements set by States and Tribes. These requirements must address prevention and control of infectious diseases, including immunizations; building and physical premises safety; and minimum health and safety training.

### Quality Activities

A minimum of four percent of CCDF funds must be used to improve the quality of child care and offer additional services to parents, such as resource and referral counseling regarding the selection of appropriate child care providers to meet their child's needs. To improve the health and safety of available child care, many States have provided training, grants and loans to providers, improved monitoring, compensation projects, and other innovative programs. Tribes may use a portion of their funds to construct child care facilities provided there is no reduction in the current level of child care services.

### Public Input For State And Tribal Child Care Plans

States and Tribes must submit comprehensive plans by July 1, 1997. The legislation has strengthened the requirements for conducting public hearings regarding these plans and public comment is invited through this process.

**Fact Sheet****Administration for Children and Families****Administration on Children, Youth and Families*****ACF Child Care Programs Serving Children and Youth*****What's New in Child Care**

The Personal Responsibility and Work Opportunity Reconciliation Act of 1996, PL 104-193, establishes the Child Care and Development Fund to provide assistance to working low-income families to achieve and maintain economic self-sufficiency.

The major change in Federal child care is the requirement for States to serve families through a single, integrated child care system. Three Title IV-A child care programs, Aid to Families with Dependent Children (AFDC) including Job Opportunities and Basic Skills Training (JOBS) program, Transitional Child Care (TCC), and At-Risk Child Care (ARCC) have been repealed and replaced by new funding under section 418 of the Social Security Act. All child care funding is now administered under the Child Care and Development Block Grant (CCDBG) Act rules. CCDBG regulations will apply to the Child Care and Development Fund program where they correspond with the statute. This new program took effect on October 1, 1996.

The data following in this publication was reported under the old Child Care laws.

**Federal Child Care Programs in FY 1995**

Administration for Children and Families' (ACF) child care programs are administered by the Child Care Bureau within the Administration on Children, Youth and Families. ACF child care programs assist low-income families to obtain child care and other supportive services so they can work or participate in an approved education and training program, in order to achieve economic self-sufficiency. Child care assistance was formerly available through States by either Title IV-A programs or the Child Care and Development Block Grant.

**Title IV-A Child Care Programs (Prior to October 1, 1996)**

***Aid to Families with Dependent Children (AFDC)*** - provided child care to recipients who were employed or participating in an approved education and training program, including the State and Tribal Job Opportunities and Basic Skills Training (JOBS) program.

***Transitional Child Care (TCC)*** - provided up to 12 months of child care to working AFDC recipients upon loss of eligibility for AFDC due to an increase in hours of or earnings from employment.

***At-Risk Child Care (ARCC)*** - provided child care to low-income working families not receiving AFDC, but who need child care in order to work and who would be at-risk of becoming dependent on AFDC if they did not receive child care assistance.

These Title IV-A child care programs were named after Title IV-A of the Social Security Act, which was amended by the Family Support Act of 1988 to provide for AFDC child care and TCC. Title IV-A was further amended by the Omnibus Budget Reconciliation Act of 1990 to provide for At-Risk child care.

**Child Care and Development Block Grant (CCDBG) Program**

***Child Care and Development Block Grant (CCDBG)*** - provides child care services for low-income family members who work, train for work, or attend school, or whose children are receiving or need to receive

protective services. CCDBG provides States, Indian Tribes, and Territories with funding to help low-income families access quality child care for their children. In addition, CCDBG increased the availability of early childhood development and before- and after-school care services. Funds are available to provide certificates, grants, and contracts for child care services for low-income families. The CCDBG was created under the Omnibus Budget Reconciliation Act of 1990.

### What the Numbers Show for FY 1995

#### *What was federal spending on child care in FY 1995?*

In FY 1995, States, the District of Columbia, and territories received the following IV-A child care funds:

AFDC child care (including Jobs):	\$678.1	million
Transitional child care:	\$214.7	million
At-Risk child care:	\$285.6	million
Administration:	\$56.7	million

In FY 1995, 288 grantees, including the 50 states, the District of Columbia, Puerto Rico, Guam, Palau, American Samoa, the Commonwealth of Northern Mariana Islands, the Virgin Islands, and 231 Indian tribes received:

**CCDBG: \$932.3 million**

State matching funds are required for AFDC child care, TCC, and ARCC at the FMAP rate for program funds. Matching requirements ensure that States and Territories will receive a certain level of funding if they contribute a specified amount. The Child Care and Development Block Grant is a discretionary program requiring no match.

#### *How many children were served by these child care programs in FY 1995?*

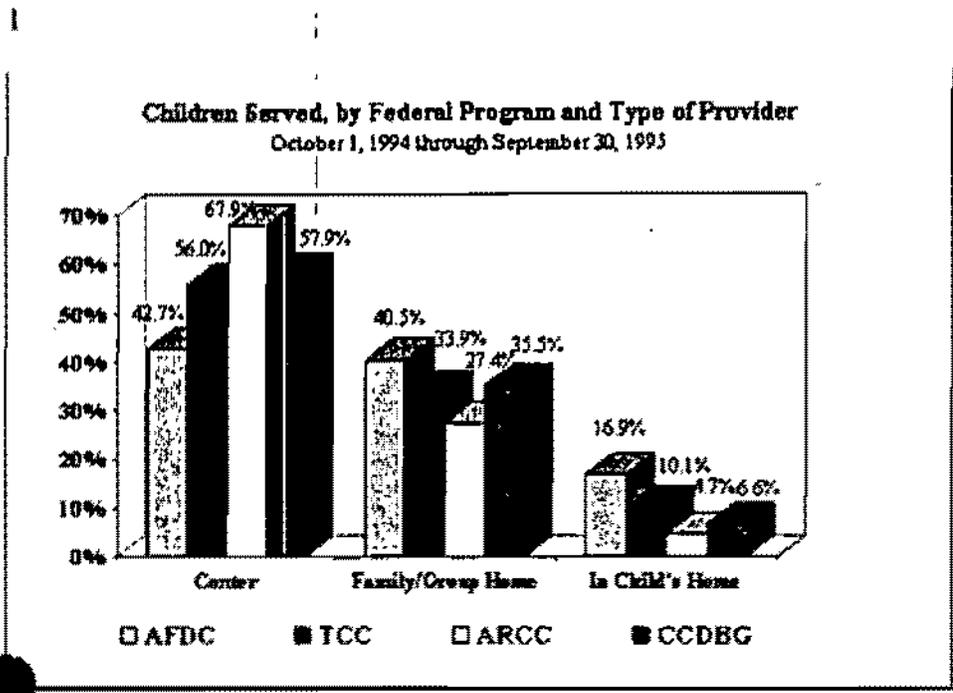
FY 1995 average monthly number of children served:

AFDC/JOBS:	233,029	average per month
AFDC/non-JOBS:	209,020	average per month
TCC:	141,017	average per month
ARCC:	198,891	average per month
Children served by CCDBG: (funded some portion of care for)	662,735	per year (unduplicated count of children for the whole fiscal year)

#### *What types of child care arrangements did parents choose for their children?*

The type of paid child care arrangements used while parents were employed or participating in an education and training program varied depending on the program status of the families and the age of the child. In FY 1995, center based care was the type of care arrangement most frequently chosen by parents receiving title IV-A and CCDBG. The second most frequently chosen child care arrangement was family day care or group home followed by child care provided in the child's own home.

Program	Center	Family/Group Home	In Child's Home
AFDC	42.7%	40.5%	16.9%
TCC	56.0%	33.9%	10.1%
ARCC	67.9%	27.4%	4.7%
CCDBG	57.9%	35.5%	6.6%



1 By program, the following number of States/territories reported on Type of Provider: 46 for JOBS; 44 for AFDC/non-JOBS; 48 for TCC; 38 for ARCC; and 55 for CCDBG.

2 Children of AFDC, JOBS, and non-JOBS participants receiving IV-A paid child care.

*What were the ages of the children of JOBS participants receiving IV-A paid child care?*

Data on children served by age for FY 1995 are available only for children of AFDC/JOBS participants and children in CCDBG-funded child care. The majority of the children of JOBS participants served are under age six.

**Children of JOBS Participants Receiving IV-A Paid Child Care, by Age**

October 1, 1994 through September 30, 1995

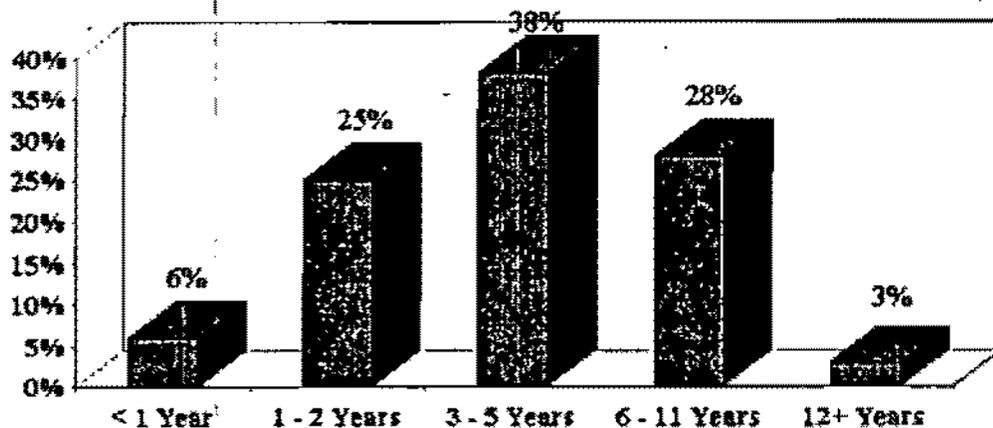


Chart is based on reporting by 46 States, the District of Columbia and territories of Guam, Puerto Rico, and the U.S. Virgin Islands.

Compared to children who are ages one through five, AFDC/JOBS children under one year of age use less center-based care and more care provided in a group and family day care home or in the child's own home.

Age of Child Reported	Center	Family/Group Home	In Child's Home	Not Reported
Less than one year	38.1%	39.4%	18.8%	3.8%
One through two years	47.9%	33.6%	15.1%	3.5%
Three through five years	49.8%	33.8%	13.0%	3.5%
Six through twelve years	32.3%	44.3%	17.8%	5.5%
Thirteen years and older	8.9%	57.6%	21.7%	11.8%

**What were the ages of children served with CCDBG-funded child care?**

The majority of the children served with CCDBG-funded child care are under the age of six. Children ages thirteen and older were the smallest group served by both the JOBS and CCDBG programs.

## Children Served with CCDBG Funds, by Age

October 1, 1994 through September 30, 1995

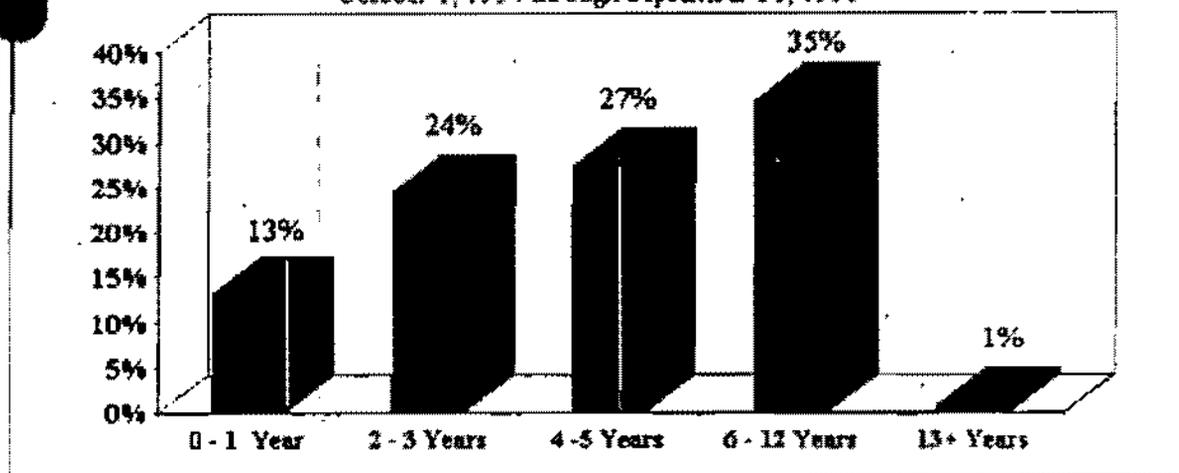


Chart is based on reporting by 49 States, the District of Columbia and territories of Guam, Northern Mariana Islands, Palau, and the U.S. Virgin Islands. Under the CCDBG program, Puerto Rico is considered a State.

Compared to children of JOBS participants, children served with CCDBG-funded child care use more center-based care in all age groups as their primary source of care.

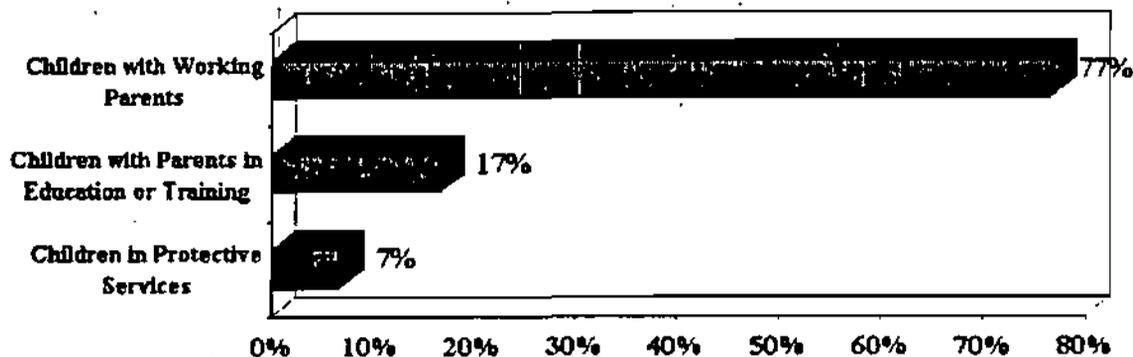
Age of Child	Center	Family/Group Home	In Child's Home
Newborn to one year	61.5%	32.8%	5.7%
Two through three years	71.8%	24.9%	3.3%
Four through five years	77.6%	19.7%	2.7%
Six through twelve years	66.3%	27.6%	6.1%
Thirteen years and older	56.2%	33.3%	10.5%

### Why did families using CCDBG funds need child care assistance?

In FY 1995, over three-fourths of the children needed child care because their parents were working, less than one-fourth because their parents were involved in an education or training activity, and the remaining children needed child care because they were placed in protective services.

### Children Served with CCDBG Funds, by Reason(s) For Care

October 1, 1994 through September 30, 1995



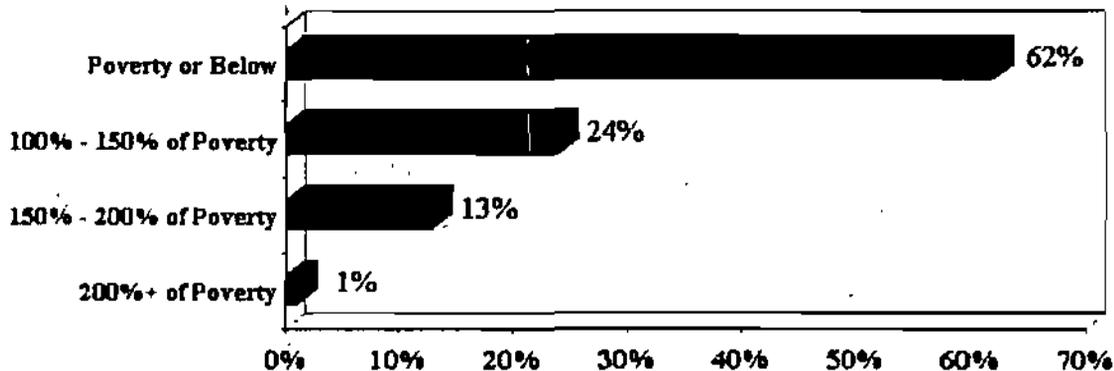
Total reporting for this question was 559,096. Based on reporting from 50 States and territories.

#### What was the income level of the families using CCDBG-funded care?

In FY 1995, about two-thirds of the children in CCDBG-funded child care lived in families that were at or below the federal poverty level. Almost a quarter of the children in this program lived in families with incomes between 100 and 150 percent of the poverty level.

### Family Income Level of Children in CCDBG-Funded Child Care

October 1, 1994 through September 30, 1995



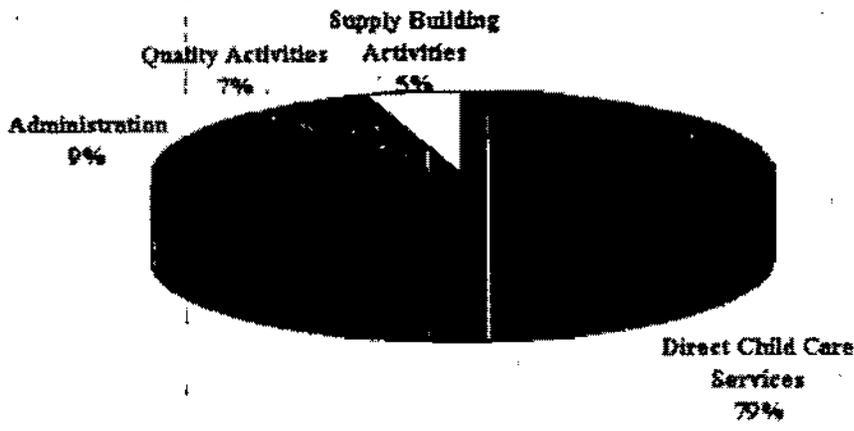
Total reporting for this question was 438,596. Based on reporting from 42 States and territories.

#### How did CCDBG expenditures increase the quality of child care?

While more than three-fourths of FY 1995 CCDBG expenditures were used for direct services, 7 percent of the funds were used to improve the quality of child care. These quality expenditures were used for resource and referral, monitoring, training and technical assistance, grants or loans to providers to improve standards, and projects to improve the compensation of child care workers.

### CCDBG Expenditures

October 1, 1994 through September 30, 1995



Total CCDBG Expenditures: \$573,870,811.

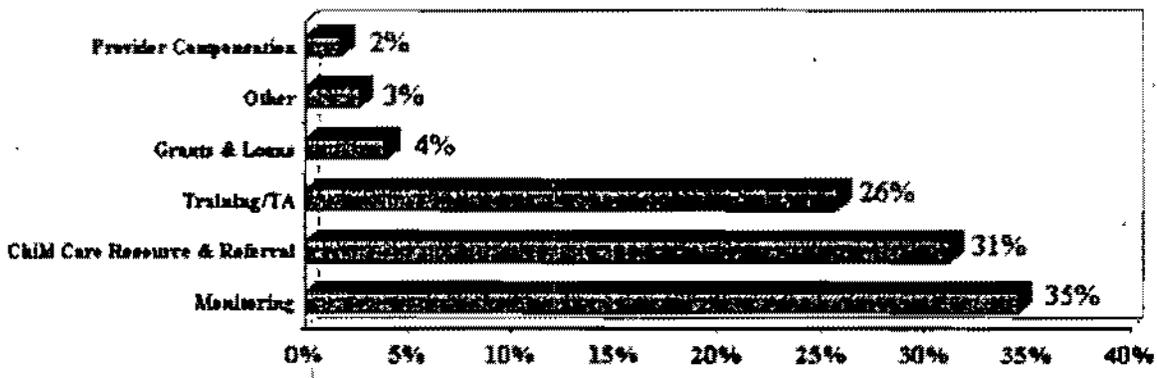
*Direct services includes child care purchased with certificates, contracts, grants, or as part of before and after-school care and early childhood development programs.*

*Administration expenditures are capped under CCDBG regulations.*

*Percentages are based on FY 1994 grant allocations spent October 1, 1994 to September 30, 1995.*

### CCDBG Quality Expenditures

October 1, 1994 through September 30, 1995



Total CCDBG Quality Expenditures: \$36,647,413.

*Other Authorized Activities includes expenses such as conducting a needs assessment or organizing a planning committee.*

*Percentages are based on FY 1994 grant allocations spent October 1, 1994 to September 30, 1995.*



# Training Requirements in Child Care Licensing Regulations

June 1997

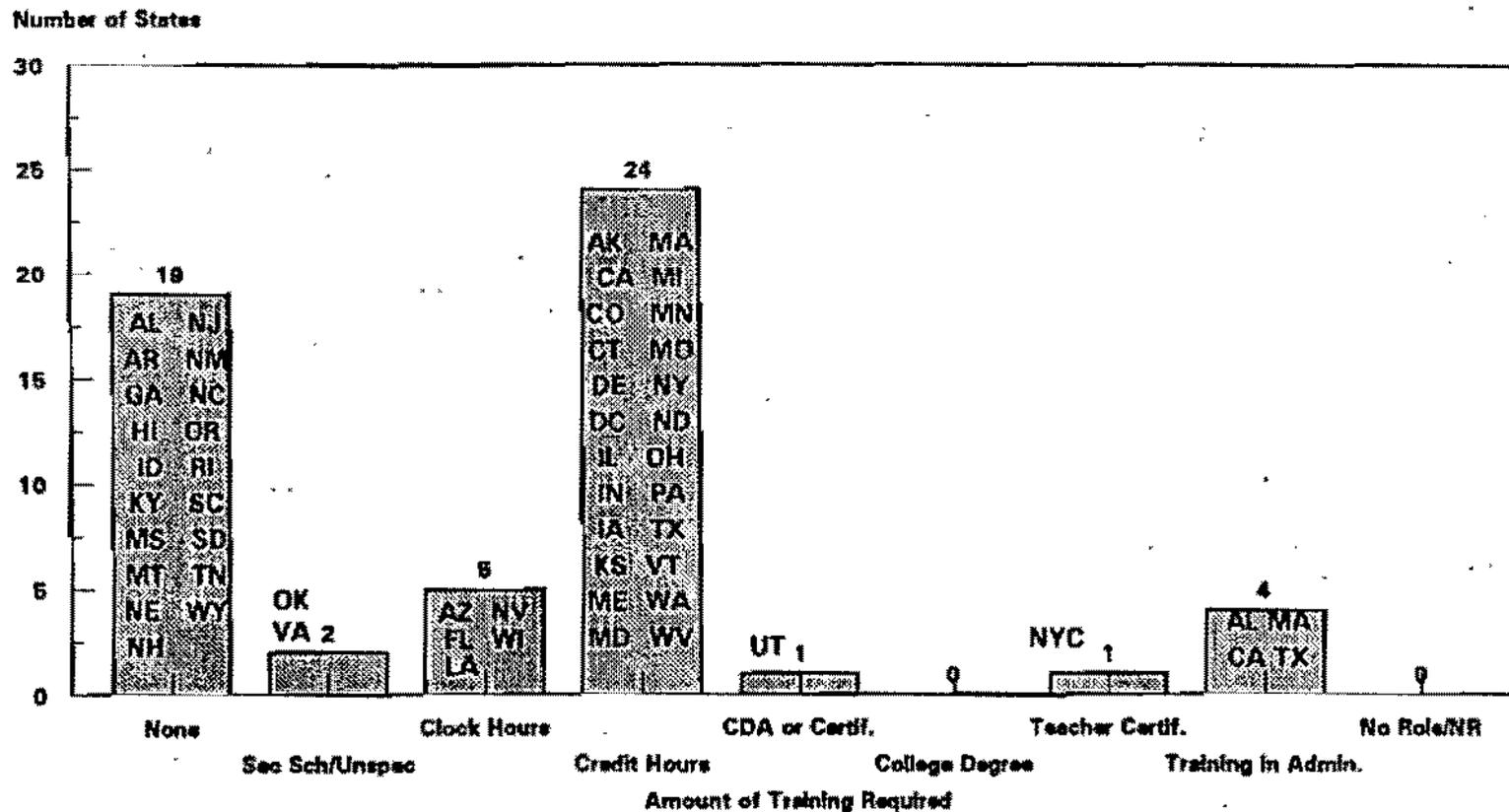
By Sheri L. Azer and Darnae Eldred



The Center  
for Career Development  
in Early Care and Education

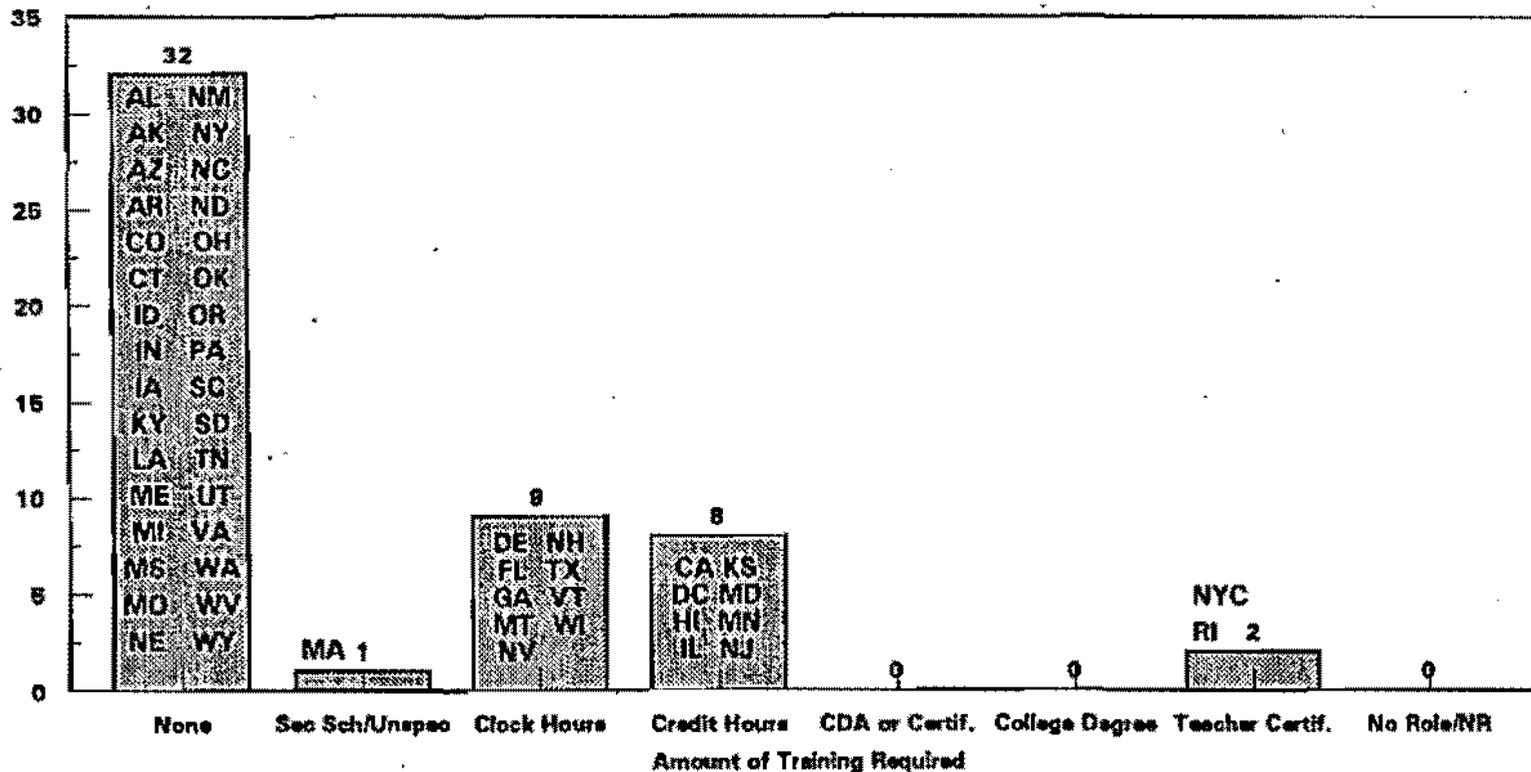
# Licensing Requirements: Minimum Pre-service Training in ECE

## Directors of Child Care Centers



# Licensing Requirements: Minimum Pre-service Training in ECE Teachers in Child Care Centers

Number of States

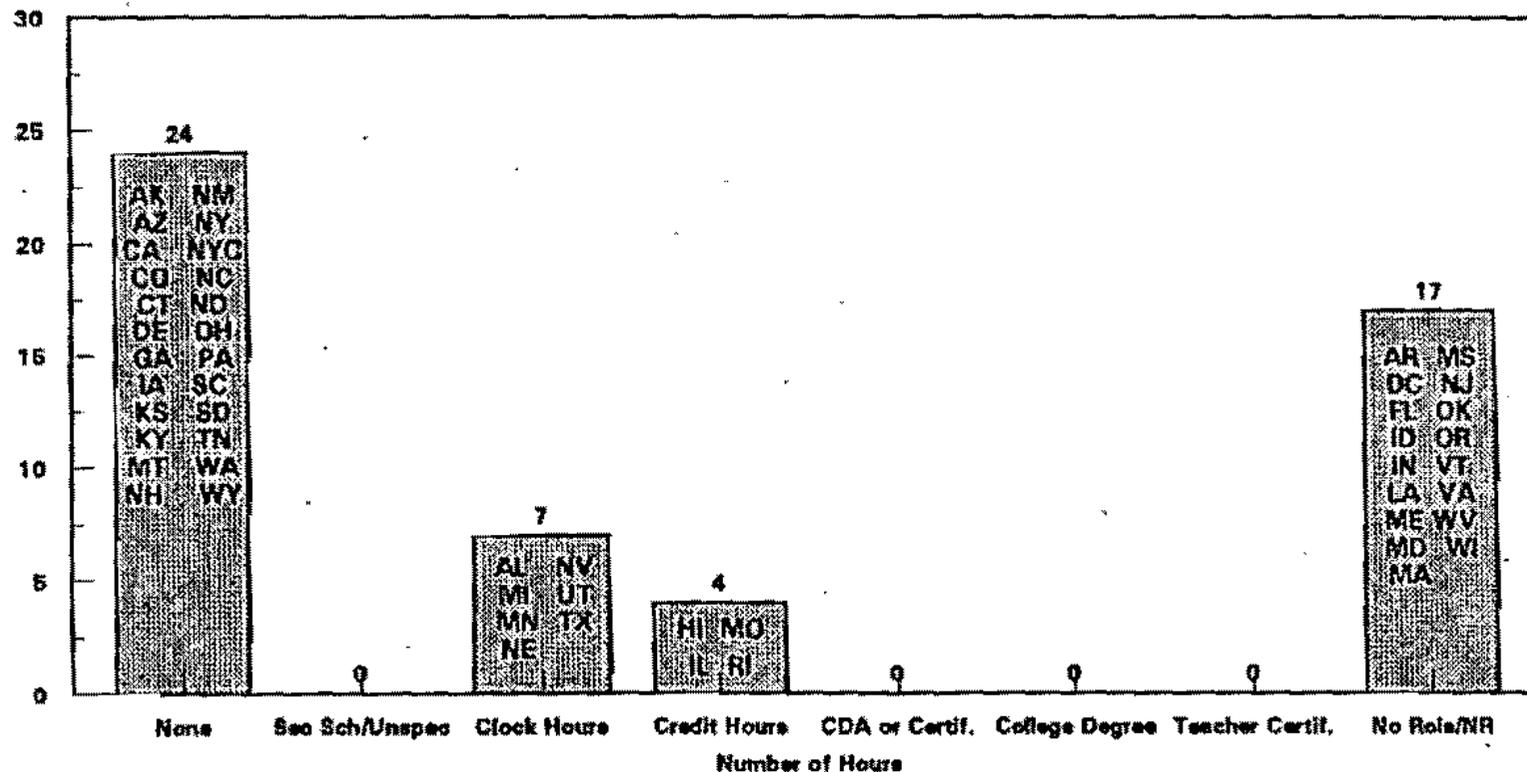


# Licensing Requirements: Minimum Pre-service

## Training in ECE

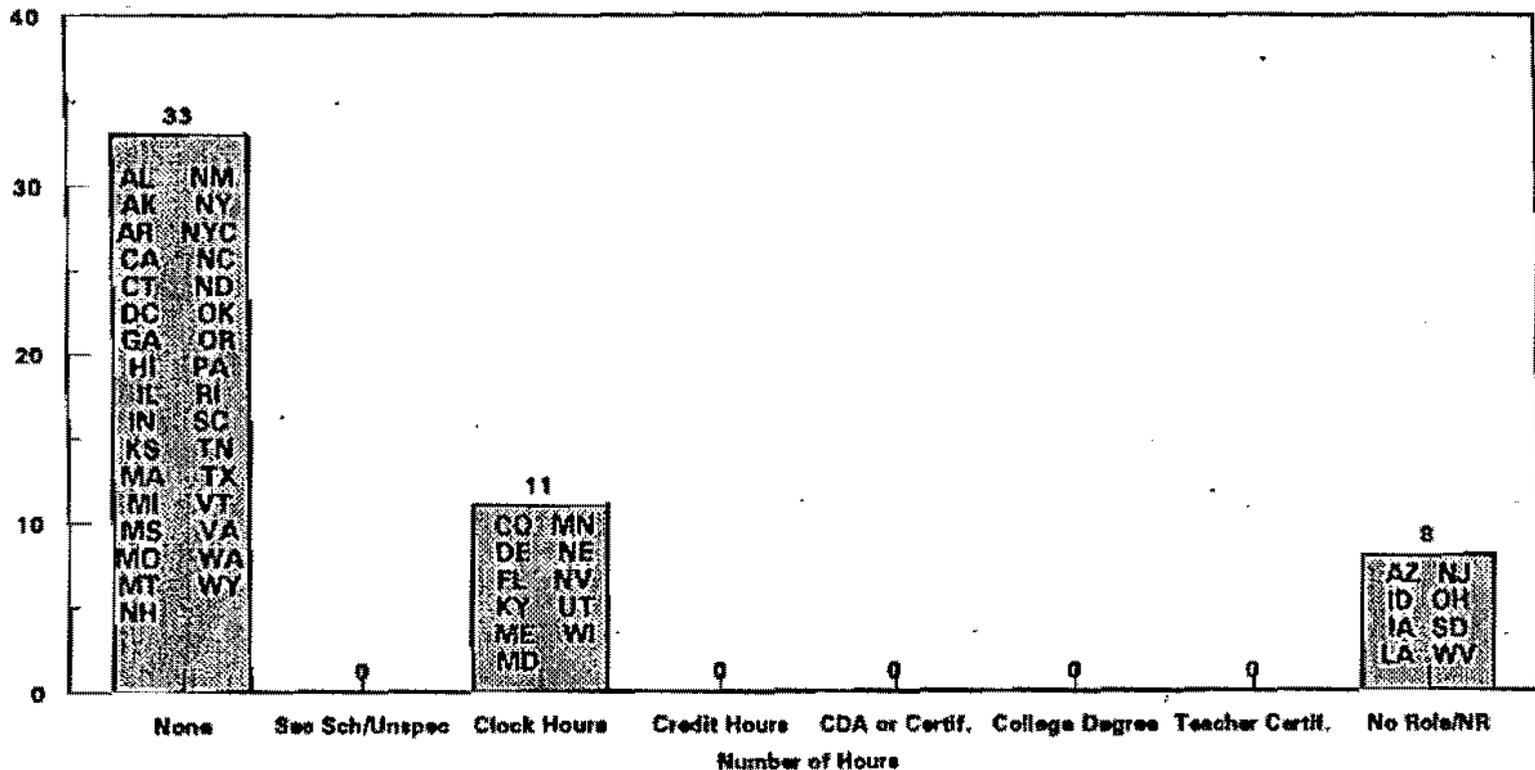
### Providers in Large Family Child-Care Homes

Number of States



# Licensing Requirements: Minimum Pre-service Training in ECE Providers in Small Family Child Care Homes

Number of States



WH CONFERENCE

F

## White House Conference on Child Care Outline for Discussion Purposes Only

### Objectives for the Conference:

- Establish child care as a national priority and legitimize it as an issue in which all Americans have a stake, using both child development and workforce/economic arguments;
- Educate the nation -- particularly parents -- about the need for providing children of all ages with supportive, high quality care, and defining the components of quality child care (including school-age care programs);
- Illustrate tangible ways that all sectors of society (families, government, employers, military, religious community, philanthropy) contribute to the system, by highlighting model efforts nation-wide; and
- Launch policy that addresses key areas of challenge in child care -- quality, affordability, and school-age care.

### Opening Session: Setting the Stage

#### Possible Components:

Remarks by The First Lady  
Remarks by an Economist/Rubin (workforce/economic perspective)  
Video (human/child development perspective)  
Parent (introducing the President)  
Remarks by The President

### Panel One: What is Quality Child Care?

This panel would address a range of issues, including the effects of care on children, the effects of quality care on child development and school-readiness, and the various components of quality care for various age-groups.

## Panel One, Continued

### Possible Components:

The President  
The First Lady  
The Vice President  
Mrs. Gore

Economist  
Expert on impact of care to child development and school-readiness  
Expert on quality measures of child care for various age groups  
Expert on school-age care  
Child Care Provider  
Parent

## Panel Two: **How Do We Strengthen Child Care in the U.S. -- Investing in Child Care and Mobilizing the Pivotal Sectors to Promote Quality Child Care**

This panel would address the status of child care from both state-by-state and national perspective, and examine model efforts nation-wide.

### Possible Components:

The President  
The First Lady  
The Vice President  
Mrs. Gore

Expert on "state of child care in the United States" -- state-by-state and national overview

Quality/Workforce Investments (North Carolina Smart Start and TEACH)  
Military model representative  
Business representative  
School-age program representative  
Health and Safety Standards representative  
Parent

## Closing Reception (T)

G

**VIDEO  
ON  
CHILD CARE**

**OBJECTIVE:** Produce a <sup>5</sup>~~12-15~~ minute video on child care intended to set the stage for the presentations and discussion at the White House Conference on Child Care, and for important application after the Conference. Community leaders have indicated a real need for a way to introduce audiences to the child care issues affecting our country. And indeed, there exists nothing else that takes an in-depth look at what child care means to this nation's people -- especially to children.

**APPROACH:** Create a compelling document that puts a human face on just how critical good child care is to working parents and their children --from infancy through the school age years -- as well as to businesses and to communities.

Not merely a recitation of the facts and statistics, the video presents first-hand evidence -- from typical American families and in their own words -- that child care impacts people's lives on a daily basis -- and at a very deep level. It includes recent research findings by Families and Work Institute that has led to revolutionary understanding of the issues.

The production features mini-documentaries about families who represent the varieties of work experience. It also includes individual interviews with parents, children, child care providers, supervisors, co-workers, business leaders, government representatives and noted figures. The stories run the gamut from the disruption of a whole community because of child care problems, to the positive effect of one caregiver on a single child.

Schedule permitting, eminent pediatrician Dr. T. Berry Brazelton has agreed to host. His role: to interview the families and children, and to provide the voice of the continuing narrator.

**CONTENT:** Demonstrate that only when child care works, can working families really work.

Featuring a representative cross-section of American families -- and the variety of child care situations typical in this country -- we tell stories both of success and of failure. The purpose: to understand what makes child care work, and what happens when it's not working.

We examine the effect of child care along several central parameters, including:

Development - incorporating findings of the exciting new brain research;

Attachment - the effect of child care on the parent/child bond, as well as critical factors in the child/caregiver relationship;

Family Dynamics - such as how fragile the logistics of working families can be, and how child care problems can have completely unanticipated yet very serious repercussions for working parents and their children, bosses and co-workers;

Economics - both the financial condition of the individual family and the larger economic health of business, community and country.

Overall, the program presents new and surprising insights into the real life of the American working family -- and the real story of how critical good child care is to us as a nation. It does not suggest specific policy, but rather makes a call for action from every sector of our society.

**CREATIVE  
TEAM:**

FAMILIES AND WORK INSTITUTE is acting as coordinating consultant for the project, the content of which is based on its staff's 20-year leadership in research on families and the workplace. Families and Work Institute also partnered with Rob Reiner on the I AM YOUR CHILD project, developing the scientific basis for this nationwide campaign on the importance of early childhood, and the outreach effort in all fifty states.

In addition, the CARNEGIE CORPORATION OF NEW YORK is lending its expertise as special project advisor.

NEW SCREEN CONCEPTS is producing the program. New Screen is the Emmy-award winning team responsible for the documentary segments of I AM YOUR CHILD. They created Berry Brazelton's long-running parenting series WHAT EVERY BABY KNOWS. Their credits include many network specials and series, such as THE BODY HUMAN on CBS, KIDS THESE DAYS on Lifetime and WE'RE EXPECTING on ABC.

**BUDGET:** The video is budgeted at \$85,000. This includes all costs for research, directing, script, studio production, field photography, post-production and consultants. For subsequent mass distribution, video dubs will be available at standard duplication costs. To meet the October 23rd Conference deadline, production must begin by September 1st.

Child care conf

## WHITE HOUSE CONFERENCE ON CHILD CARE

On October 23, the President and the First Lady will host the White House Conference on Child Care to examine the strengths and weaknesses of child care in America and explore how our nation can better respond to the needs of working families for affordable, high quality child care.

Two panel discussions will be held in the East Room of the White House. The morning panel will address why child care is important to our children's development and to the nation's economy. The afternoon panel will provide an overview of the state of child care in America and examine promising models nation-wide.

### I. OPENING SESSION

The First Lady welcomes and makes remarks.

Short video is presented (5 minutes) to provide child/provider/parent perspectives.

TBD Parent introduces the President.

The President makes remarks.

### II. PANEL DISCUSSION: WHY DOES GOOD CHILD CARE MATTER AND HOW DO WE KNOW IT WHEN WE SEE IT?

The President and First Lady facilitate.

#### 1. Why is Child Care Important?

Expert addresses the relationship between child care and child development, and explains what makes child care good

-- Ellen Galinsky, Families and Work Institute

Expert addresses the relationship between child care and building strong communities

-- Michelle Seligson, Wellesley School Age Project

Expert addresses the relationship between child care and the economy/workforce

-- Secretary Rubin or

-- David Blau, University of North Carolina

#### 2. What Is Good Child Care?

Legislator (TBD Republican state legislator)

Child Care Provider (TBD)

Parent (TBD)

## II. WHITE HOUSE LUNCHEON/WORKING SESSIONS AT TBD FEDERAL AGENCIES

White House -- TBD Members of Congress will speak

Agencies -- Working sessions hosted by HHS/Education, Agriculture, Labor, Treasury

## III. PANEL DISCUSSION: HOW DO WE MOBILIZE THE PIVOTAL SECTORS TO SUPPORT AFFORDABLE, GOOD CHILD CARE?

The Vice President (t), Mrs. Gore (t), and the First Lady will introduce/facilitate this session.

### 1. What is Going On In Child Care Across the Country?

Secretary Shalala gives an overview of the strengths and gaps in child care in our country.

### 2. What Promising Models Can We Learn From?

Governor and a county official

-- Governor Hunt and TBD county official

Military Child Care System

-- Secretary Cohen or

-- Career military commander/former head of military child care program

Business Leader

-- Ted Childs, Vice-President, IBM and Director, American Business Collaborative or

-- Doug Price, President, First Denver Bank, Chair of the Colorado Business Commission

Labor Leader (?)

-- Representative of 1199 or TBD

Health Care Leader

-- Susan Aronson M.D., Member of the Board, American Academy of Pediatrics, and Director, Early Childhood Education Linkage Program for health professionals

Religious Leader

-- Eileen Linder, Presbyterian Minister and National Council of Churches

## IV. SOUTH LAWN RECEPTION

Cabinet Secretaries report on working sessions held at Federal Agencies.

TBD Principals speak and close.

C. care conf.

October 14, 1997

MEMORANDUM TO BRUCE REED

ELENA KAGAN

FROM: JENNIFER KLEIN  
NICOLE RABNER

CC: MELANNE VERVEER

RE: POLICY OPTIONS FOR CHILD CARE CONFERENCE

As you know, the President will announce two or three small policy initiatives at the White House Conference on Child Care as "downpayments" on his larger child care agenda (which will be outlined in an Executive Memorandum issued at the conference). This memorandum outlines the policy options that we are considering.

**Working Group of Business Leaders.** The President would appoint Secretary Rubin to co-chair, with a private sector executive, a working group of business leaders on child care. The group would report back within 60 days on strategies for developing public-private partnerships to improve the quality and affordability of child care. We are working with Treasury to set up the working group and to appoint a co-chair who could be announced at the conference. HHS and Treasury support doing this, as do many child care advocates and experts. Treasury has raised some concern that the group might make recommendations that the Administration is not prepared to accept. With those concerns in mind, we have narrowly defined the scope of their work.

**Health Outreach in Child Care Centers.** The President would announce a plan to enroll eligible children in child care centers in Medicaid or the new state children's health program. This would build on the Administration's commitment to linking health care and child care through the Healthy Child Care America Campaign, which promotes safety and healthy development in child care and improves access to immunization, nutrition and other health services in child care settings. We are working with Chris

Jennings and Jeanne Lambrew on a series of proposals, including:

- Clarifying regulations to ensure that child care centers and schools distribute information about these health programs, assist in filling out applications, and grant presumptive eligibility for Medicaid.
- Requiring states in their state plans for the children's health program to describe how they will use child care centers to enroll children.
- Developing an agreement with child care providers, school nurses and teachers to work together on education and outreach to families. This would include release of a Medicaid handbook for child care workers (currently being produced at HHS) and a simple brochure describing the new children's health program.

Chris and Jeanne will discuss any health care proposals with the National Governors Association staff to ensure that states will support our policy.

*Talk to Mike*

**Scholarships for Child Care Workers.** The President would announce a new federal scholarship program for child care workers. Our suggestion had been to announce our support for Senator DeWine's "Quality Child Care and Loan Forgiveness Act" that provides loan forgiveness for students in early childhood education programs. The bill allows 15% of the total amount of a loan to be forgiven for each year of employment and requests an appropriation of \$10 million for fiscal year 1998. Senator Kerry has a similar loan forgiveness bill that requests an appropriation of \$100 million for 1998. DOE is opposed to granting loan forgiveness to people entering particular professions, so the Department is developing an alternative proposal either through adult and vocational education or school-to-work. HHS also requested an increase of \$150 million for FY 1999 in the CCDBG to model a scholarship program after North Carolina's T.E.A.C.H. Program.

The President would also announce an outreach plan to let students in training to become child care workers know that many of them are currently eligible for Pell Grants.

Announcing policy in this area at the conference makes sense given strong agreement that the key to quality child care is the provider. A proposal would receive strong support from the child care and labor communities. However, we obviously need to resolve remaining issues with Education and HHS and to involve OMB and NEC before going forward.

1 **Background Checks on Child Care Workers.** This announcement could have three parts. First, the President would release a Department of Health and Human Services "checklist" of questions that employers and parents could use in interviewing and doing reference checks on child care providers. The ABA Center on Children and the Law recently completed a study finding that employer reference checks and personal interviews are among the most effective ways to screen child care providers. The Center also reports that 98 percent of respondents conduct personal interviews and 93 percent check references with past employers. However, there is no assurance that these checks are done right. The "checklist" would arm parents and employers with the information they need to do proper and thorough screening.

Second, HHS would issue regulations requiring any child care center receiving federal funding through the Child Care and Development Block Grant (CCDBG) to use the "checklist." HHS has authority to do this under provisions of the CCDBG allowing them to regulate health and safety in three specific areas (building and premises safety, training, and health and infectious diseases, including immunization). As you know, HHS recently issued regulations under this authority requiring federally-funded centers to ensure that the children in their care are properly immunized.

3 Third, the President would urge Congress to pass and the states to join the Interstate Crime Prevention and Privacy Compact. This compact, which is ready for transmission to the hill, would give access to criminal records for non-criminal purposes, including background checks on child care providers. While a slow and lengthy process, this would give the President an opportunity to talk about the importance of making this information available so that children in America will no longer be threatened by the few "bad apple" child care workers.

These announcements are controversial for several reasons. Secretary Shalala strongly believes that we should not take any steps in this area at the conference, and is particularly opposed to issuing HHS regulations. Because of the uproar by the states after HHS issued the immunization regulations, Shalala is adamantly opposed to any action in this area. More generally, she is concerned that we will give the impression that we do not support child care providers -- who as a whole work hard, receive meager salaries, and work in difficult conditions. In addition, she believes that announcing a controversial policy at the conference will jeopardize our ability to accomplish our larger child care agenda.

*C. care conf.*

October 23, 1997

MEMORANDUM FOR THE SECRETARY OF HEALTH AND HUMAN SERVICES  
THE SECRETARY OF EDUCATION  
THE SECRETARY OF THE TREASURY  
THE SECRETARY OF LABOR  
THE ATTORNEY GENERAL

SUBJECT: Strengthening Child Care in the United States

Parents are the most important people in their children's lives. Studies confirm that fact, but more importantly, parents know it to be true. Each time a parent looks into her son's eyes as he drinks a bottle, or meets her daughter's glance as she scores the winning soccer goal, that parent knows that she matters most to her children. However, child care is a necessity for millions of American families. Millions of children of all income levels are cared for by someone other than their parents every day.

Many parents either choose to or need to work outside of the home. Over half of infants under age one are in day care. Twelve million children under the age of six and seventeen million more age six through 13 have both or their only parent in the workforce. Many families in which one parent does not work outside the home also use child care or early education.

Child care has a tremendous impact on the development of our children and on the kinds of citizens we can expect them grow to be. Research shows that children in better quality child care and early education programs have stronger language, pre-mathematics and social skills than those in lower quality settings, and have better relationships with their teachers and more positive self-perceptions. A recent study on the impact of early education on low-income children's development found that good programs can decrease the chances that the child will later commit a crime and increase the chances that the child will succeed in school and earn more as an adult.

Child care also has a tremendous impact on our nation's economy. In 1995, 62 percent of women with children younger than six and 77 percent of women with children ages six to 17, were in the labor force. All of these working mothers need someone to care for their children in order to work. A lack of reliable child care can cause workers to lose time or be less productive at work. A 1990 study found that nearly one in six mothers employed outside the home reported losing some time from work during the previous month due to a failure of their regular child care arrangements.

I believe that child care is the next great frontier in creating a 21st century social compact that will enable Americans to be good parents and successful workers. There are three key areas that must be addressed: (1) assuring the health and safety of children in child care; (2) helping working families afford child care; and (3) keeping children and youth safe and productive during the hours they are not in school. I, therefore, direct the Secretaries of [...] to report back to me within 45 days with recommendations in the following areas:

**I. Protecting the Health and Safety of Children by Improving the Quality of Child Care**

**The Facts.** The quality of child care in this country is too often merely mediocre or even poor. A recent national study of child care centers found that one in eight centers provide care that is barely adequate -- where children are exposed to unsafe, unsanitary conditions. Infants and toddlers are at the greatest risk, with 40 percent in care that poses a threat to their health and well-being. Only 20 percent of our children are in high quality care -- care that actually enhances growth and development. A study of child care in family-based settings found equally disturbing patterns. Over one-third of programs are rated inadequate, meaning that quality is low enough to harm children's development, and only 9 percent offer high quality care.

The people who care for our children are the key to quality. However, the majority of states require no training for child care workers. Child care teaching staff typically earn about \$6.50 an hour or a little more than \$12,000 per year and often receive no benefits. These conditions results in high turnover, threatening the quality of care.

We know that quality matters. Children in poor quality care have been found to have slower cognitive and language development and to show more aggression toward other children and adults. On the other hand, good care can improve a child's chances in life, especially if that child comes from a difficult family situation or disadvantaged background.

**The Goal.** By the year 2002, all states should develop and implement strategies to eliminate harmful and substandard care and to ensure that children in child care get what they need to succeed in school and as adults.

**The Action.** Therefore, I direct the Secretary of Health and Human Services to to make recommendations in the following areas:

[(A) Develop a proposal to give states incentives to meet benchmarks to improve health, safety and learning of infants and toddlers in child care.]

[health outreach, scholarships/loan forgiveness for child care providers, background checks on child care providers, parent education and consumer information]

## **II. Helping Working Families Afford Child Care**

**The Facts.** Increasing numbers of working families cannot afford decent child care, which can cost at least \$4,000 a year for one child, and even more for infants and toddlers. While the average family pays about 7 percent of its income for child care, child care consumes about a quarter of the income of low-income families who need to pay for child care.

The Federal government spent \$2.9 billion in direct child care subsidies in fiscal year 1997 -- allowing families to pay for child care for about one million children. However, HHS estimates that we are currently providing child care subsidies for less than a quarter of the families who need them. In addition, the Dependent Care Tax Credit provides more than \$2 billion in tax relief for child care expenses. The amount of the credit has not been adjusted since 1982, despite significant increases in the cost of care over the last 15 years.

**The Goal.** By 2002, increase substantially the number of families who are able to afford child care.

**The Action.** I direct the Secretary of the Treasury and the Secretary of Health and Human Services to examine the Child Care and Development Block Grant and the Dependent Care Tax Credit:

- (1) To determine who is being served by each of those funding mechanisms; and
- (2) To make recommendations about how best to use either or both of them to help working families pay for child care. [Clear that could spend money?]

[Business tax credit?]

## **III. Keeping Children Safe and Giving Them Constructive Activities During After School Time**

**The Facts.** Many school-age children have parents who work and need safe places to be during out-of-school hours. The lack of an adequate supply of child care leaves many families without access to care. This problem affects families with children of all ages, and is often particularly difficult for those with school-age children. While there are currently 50,000 school age programs serving 1.7 million children across the

country, there are more than 16 million school age children in working families.

Experts estimate that nearly 5 million children between five and 14 children spend time alone during a typical week. Children who are left unsupervised are at greater risk for school failure as well as alcohol and tobacco use. In addition, juvenile crime rates peak between the hours of three and seven.

Research also shows that good activities for school-age children can keep children safe and improve their development and school performance. This is particularly true for low-income children, who are less likely to have access to constructive after-school activities.

**The Goal.** By the year 2002, the number of after-school and summer programs for school-age children should be doubled.

**The Action.** I direct the Secretary of Education, the Secretary of Health and Human Services, the Secretary of Labor and the Attorney General to examine existing programs that serve school-age children and develop a proposal to coordinate funding streams and to reach more children, particularly in low-income, urban areas.

[Enough on supply of care? Where put Family Leave/parent choice? Mention children with disabilities]

THE WHITE HOUSE  
WASHINGTON

*Child Care  
Conference*

October 14, 1997

MEMORANDUM TO BRUCE REED  
ELENA KAGAN

FROM: JENNIFER KLEIN  
NICOLE RABNER

CC: MELANNE VERVEER

RE: POLICY OPTIONS FOR CHILD CARE CONFERENCE

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## WHITE HOUSE CONFERENCE ON CHILD CARE

### I. OPENING SESSION

The First Lady welcomes and makes remarks.

Short video is presented (5 minutes) to provide child/provider/parent perspectives.

TBD Parent introduces the President.

The President makes remarks.

### II. PANEL DISCUSSION: WHY DOES GOOD CHILD CARE MATTER AND WHAT DOES CHILD CARE LOOK LIKE IN OUR COUNTRY?

The President and First Lady moderate.

#### 1. Why is Good Child Care Important?

- Ellen Galinsky, Families and Work Institute (young children)
- Michelle Seligson, National Institute for Out of School Time, Wellesley College (older children)
- Valora Washington, Kellogg Foundation (communities)
- Secretary Rubin (economy)

#### 2. What Does Child Care Look Like in this Country?

- Secretary Shalala (national perspective)
- Marcy Whitebook, National Center for the Child Care Workforce (provider perspective)
- Patti Siegel, California Resource and Referral Network (parent perspective)

### II. WHITE HOUSE LUNCHEON/WORKING SESSIONS AT TBD FEDERAL AGENCIES

White House -- TBD Members of Congress will speak

Agencies -- Working sessions hosted by HHS, Education/Agriculture, Labor

### III. PANEL DISCUSSION: HOW DO WE MOBILIZE ALL MEMBERS OF THE COMMUNITY TO SUPPORT AFFORDABLE, QUALITY CHILD CARE?

The Vice President (t), Mrs. Gore (t), and the First Lady moderate.

#### -- State Perspectives

- Governor Hunt and TBD county official, North Carolina
- Jane Maroney, Republican State Legislator, Delaware
- Career military commander/former head of military child care program
- Doug Price, President, First Bank of Colorado, Chair, Colorado Business

Commission

- TBD Labor Leader (?)
- Susan Aronson, M.D., Member of American Academy of Pediatrics Board, and Director,  
PA Early Childhood Education Linkage Program for Health Professionals
- TBD Religious Leader
- Not-for-Profit Leader (?)

#### IV. SOUTH LAWN RECEPTION

Cabinet Secretaries report on working sessions held at Federal Agencies (?).  
TBD Principals speak and close.

## WHITE HOUSE CONFERENCE ON CHILD CARE

On October 23, the President and the First Lady will host the White House Conference on Child Care in the East Room of the White House, bringing together parents, caregivers, business leaders and child care experts. The conference will explore how the public and private sectors can respond to the need that Americans who are struggling to be both good parents and good workers have for safe, affordable child care.

Many parents choose to stay home and care for their children themselves. Yet millions of Americans, by choice or necessity, rely on child care and after-school programs to care for their children for part of each day. The conference is intended to begin a dialogue on three critical child care issues -- access, affordability, and assuring safety and quality -- and to highlight the roles that everyone -- including communities, businesses, child care providers, Federal, state and local governments, and parents themselves -- can play in addressing these issues.

### **I. OPENING SESSION**

### **II. PANEL DISCUSSION: ACCESS, AFFORDABILITY AND ASSURING SAFETY AND QUALITY**

The President and First Lady will moderate this session.

**Part 1: Why Does Safe, Affordable Child Care Matter?** This panel will address: the relationship between quality child care and children's healthy development, particularly in the earliest years of life; the importance of good after-school programs for youth; and the need for child care given dramatic changes in the workforce and economy.

**Part 2: How Are We Doing in Meeting the Challenge of Making Safe, Affordable Child Care Available to Working Families Who Need It?** This panel will provide an overview of the strengths and weaknesses of child care in communities across the country and will also look at this question from the unique perspectives of parents and child care providers.

### **II. WHITE HOUSE LUNCHEON AND WORKING SESSIONS AT FEDERAL AGENCIES**

During the White House luncheon, Secretaries Shalala, Herman, Riley and Glickman will host working sessions at several agencies.

### **III. PANEL DISCUSSION: HOW DO WE MOBILIZE ALL MEMBERS OF THE COMMUNITY TO SUPPORT SAFE, AFFORDABLE CHILD CARE FOR FAMILIES WHO NEED IT?**

The Vice President and the First Lady will moderate this session. State and local officials, along with representatives of the military, business, health, labor, and faith communities, will highlight promising efforts around the country and discuss how all members of the community can address the challenges of assuring safe, affordable child care for working families who need it.

### **IV. SOUTH LAWN RECEPTION**

THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release

July 23, 1997

STATEMENT BY THE PRESIDENT

Today, the First Lady and I are pleased to announce that on October 23, 1997, we will host the *White House Conference on Child Care*. The conference, which will take place at the White House, will examine the strengths and weaknesses of child care in America and explore how our nation can better respond to the needs of working families for affordable, high quality child care.

Over the past decade, the number of American families with working parents has expanded dramatically. Making high quality child care more affordable and accessible is critical to the strength of our families and to healthy child development and learning. It is also good for the economy and central to a productive American workforce.

This nation can and should do better. Each of us --from businesses to religious leaders to policy-makers and elected officials --has a responsibility and an important stake in making sure that children of all ages have the best possible care available to them. From infancy through adolescence, in child care settings and after-school programs, children can learn and thrive with the right care, attention, and education.

I hope that this conference will be the beginning of a national dialogue about how best to care for all of America's children and will make a valuable contribution to our effort to improve child care in this country.

-30-30-30-

# PRESIDENT AND FIRST LADY ANNOUNCE WHITE HOUSE CONFERENCE ON CHILD CARE

July 23, 1997

Today, President Clinton and First Lady Hillary Rodham Clinton announced that on October 23, 1997, they will host the first-ever White House Conference on Child Care. The White House Conference on Child Care will examine the strengths and weaknesses of child care in America and explore how our nation can better respond to the needs of working families for affordable, high quality child care. Over the past decade, the number of American families with working parents has expanded dramatically.

The conference builds on the President and First Lady's long-standing commitment to increasing access to child care and ensuring child care quality. Specific Clinton Administration actions to expand and improve child care include:

## INCREASING THE INVESTMENT IN CHILD CARE

Expanding Funding for Child Care: Since 1993, federal funding for child care has increased by approximately 68% and provides child care services for over one million children. Every budget that the President has submitted to Congress has included increases in child care funding, and the President's FY 1998 budget request for child care services is \$3.1 billion. As a result of the President's efforts, the welfare law increased child care funding by nearly \$4 billion over 6 years, providing child care assistance to low-income working families and parents moving from welfare to work.

Streamlining Child Care Operations and Services: In 1995, the Child Care Bureau at HHS was established to streamline child care operations --improving the quality and efficiency of service and technical assistance delivery.

## ENSURING HEALTH AND SAFETY IN CHILD CARE

Issuing New Child Care Regulations: Today, President Clinton proposed new child care regulations that will help more children in child care receive the immunizations they need on time. The new rule requires that all children receiving federal child care assistance be immunized according to state public health agency standards. This regulation will particularly affect those children in child care arrangements that are legal but exempt from state licensing requirements.

Launching the Healthy Child Care America Campaign: In May 1995, HHS launched the Healthy Child Care America Campaign to promote partnerships between child care and health agencies to ensure that children in child care are in safe and healthy environments and receive the health services they need. Forty-six states have now launched Healthy Child Care America campaigns at the state and/or community levels.

Providing Technical Assistance and Disseminating Information: Through the Child Care Technical Assistance Project, HHS provides important technical assistance to improve and expand the child care delivery systems of states, tribes and territories for low-income families. HHS launched the National Child Care Information Center to disseminate child care information, publications and resources to help providers start up child care centers, parents locate child care in their communities, and researchers and policy makers attain access to policy information.

## **FOCUSING ON EARLY CHILDHOOD DEVELOPMENT**

Convening a Conference on Early Childhood Development: In April 1997, the President and First Lady convened the White House Conference on Early Childhood Development and Learning to examine recent scientific findings on brain development of children, including the important finding that child care quality does have an impact on childhood development and learning.

Creating the Early Head Start Program: The Early Head Start program was created through the reauthorization of the Head Start program in 1994. The program provides early, continuous and comprehensive child development and family support services for low-income families with children ages zero to three, preparing them for a lifetime of learning and development. Currently there are 143 Early Head Start programs in 44 states, serving over 27,000 children and families. In April 1997, the President announced approximately \$26 million in new Early Head Start grants. These grants, combined with the funding increases included in the President's FY 98 budget request, will expand the Early Head Start program to serve a record number of children.

Linking Head Start and Child Care: In March 1997, HHS announced that Head Start expansion funds will be used for the first time to build partnerships with child care providers to deliver full-day and full-year Head Start services. Through these new expansion grants, Head Start and child care agencies will combine staff and funds to provide high quality services. Children will stay in one place all day, rather than attending Head Start for half a day and then moving to child care for the remainder of the day. In addition, the expansion funds will provide for increased Head Start slots for children. By the end of FY 1997, some 800,000 children are expected to be enrolled in Head Start, an increase of 50,000 from the beginning of the fiscal year.

THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release

October 23, 1997

PRESS BRIEFING

BY THE PRESIDENT'S DIRECTOR OF DOMESTIC POLICY BRUCE REED  
AND SPECIAL ASSISTANT TO THE PRESIDENT FOR DOMESTIC POLICY  
JENNIFER KLEIN

The Briefing Room

1:05 P.M. EDT

MR. LOCKHART: Good afternoon, everyone. One small piece of business before we start. I'm told that the escort for Panel 2 will be taken at 1:45 p.m., so roughly right when this ends.

We're going to start today with two people who can talk to you a little bit about the child care conference that's been going on this morning and will go on to this afternoon. Bruce Reed, the President's Director of Domestic Policy, Domestic Policy Advisor; and Jennifer Klein, Special Assistant to the President for Domestic Policy and probably the lead staffer in putting this conference together; they've been working for several months on this -- are here today, and they can answer your questions.

MR. REED: I would like to start just for a moment and go over the policy announcements that the President made this morning at the conference. First, he announced a major scholarship program for child care providers that will provide \$300 million over the next five years to make available up to 50,000 scholarships a year that are designed to help child care-givers get additional training and also to give child care standards an incentive to increase the pay of those care-givers.

We think that this is the most important thing we can do to raise the quality of child care, is to provide additional training and to make sure that child care-givers are rewarded for getting that additional training, as many people have remarked during the conference. The turnover in the child care profession is remarkable; it's between a third and 50 percent a year. So it's very important to get people good training and give them an incentive to stay in the profession.

The second announcement -- the President said that he would be submitting legislation to Congress to make it easier for states to get background information on child care workers. Currently, many states have prohibitions on the release of criminal background information, so it's difficult for states that want to run background checks to get that kind of information, and the President's submitting legislation that will need to be passed by Congress and then adopted by the 50 states so that a parent or a child care center that wants to run a background check in New York can readily get information from the state of California or any other state.

He also announced that in the coming months, Secretary Rubin will head up a private sector group to reach out to business and develop ideas on how businesses can do more to provide on-site care for their employees and deal with the other concerns of employees. Secretary Rubin spoke out this morning on how central child care is as an economic issue; that businesses need to recognize

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that this is among the major concerns on their employees' minds; and that if people are going to be good workers they shouldn't be distracted, worrying about who's taking care of their kids.

Then finally, the President announced steps that the national service program is going to take to make -- to provide technical assistance to programs around the country that are providing after-school care, which is another critical child care crunch. There are about 5 million kids between the ages of 5 and 14 who are latch-key kids, who come home to an empty house. And we want to help more communities provide things to keep those kids busy -- programs to keep those kids busy. And one important area is going to be service.

Questions?

Q Can you tell us about the scholarship, how much total money we're talking about, and where the money would come from? Are these new dollars?

MR. REED: It's \$300 million in scholarships over five years. It will be included in the upcoming budget. And we have to live within the constraints of a balanced budget, so we won't be presenting the offsets until the President submits his budget at the first of the year. But it's new money; it will have to be offset by cuts elsewhere.

Q Bruce, with regard to the scholarships, that obviously addresses one of the three main problems, and that is quality of care. Suppose that does its job and produces a cadre of child care that is more proficient than what we now see. Doesn't that then aggravate one of the other two problems, and that is that leads to higher pay which in turn leads to higher prices for child care? How does the President propose to deal with the higher costs to parents of getting good quality child care?

MR. REED: One important aspect of this proposal is that it is money that will go states and child care providers to help not only child care workers to get training, but to actually increase the pay, so that some of this money is going to be helping to deal with that problem. It will be providing child care centers with an incentive to pay with some money that they can use to pay better-trained workers more money.

There certainly is a concern that we don't want quality and affordability to be traded off against each other. In North Carolina, where they run a program called the Teach Program, on which our scholarship proposal is based, they've actually been quite successful in dealing with both quality and affordability and their efforts to get better training and better pay have not driven up the cost of care.

Q And how did they do that?

MR. REED: For one thing, the child care market is very competitive, so costs are kept fairly low. But one thing that North Carolina is doing, which we would like to see other states do, is to simply put more money into their child care systems. And we've done a lot over the last four years to expand the amount of money that states get. We've increased the child care development block grant, which is the major subsidy to states, by 70 percent over the last four years, including \$4 billion through the welfare bill, and that's one way that we can help states like North Carolina and others that want to deal with both ends of the spectrum.

Q Bruce, there seems to be a general consensus, I think, here at the White House and among other people in the child care field that the economics of the system don't work. They don't

work for parents, they don't work for kids, and that what's needed because this is not a well-functioning market, so to speak, is essentially a massive infusion of cash from somewhere else -- either governments or the private sector. And \$300 million for 50,000 scholarships over five years is not, I don't think, what most people would consider a massive infusion of cash.

Is the President considering anything beyond this in terms of tax incentives for businesses, relief from the liability problems involving on-site day care? This is, in the larger frame of things, a big step.

MR. REED: Well, as the President said this morning, he intends to make other proposals in the State of the Union which are likely to address affordability and accessibility as well as quality and safety.

I think the President and Governor Hunt and others made the point this morning that this is not a problem that government can solve on its own. Child care is a lot different -- the child care system is treated a lot differently than the health care system in this country. In most businesses some kind of health care is provided. That's not nearly as common with respect to on-site child care or subsidized child care by businesses. So it's very important to engage the private sector and to get them to recognize that this is in their bottom line interest, as well. But as the President said, this \$300 million program is not the only thing we're going to be proposing in the coming year.

MS. KLEIN: Just to build on how you deal with the fact that the public sector is probably not going to be able to solve this problem alone, as Bruce was alluding to, there are states that are doing interesting things -- again, not the end all and the be all, it takes the public side as well -- of building public-private partnerships where they can leverage public dollars against private dollars. Florida is a great example of a partnership like this, and there are other states doing it. So it's not only businesses as employers, but also businesses as sort of a larger community that can take a step also in the right direction.

Q Does the administration support the Kohl bill in that regard in terms of enlisting business support?

MR. REED: We'll be looking at the Kohl bill over the next few months. The Kohl bill is a tax credit that gives businesses some tax -- provides businesses with some tax relief for constructing on-site care. It's one thing we'll look at. There are a variety of options, and the President alluded to some this morning, on what we could do to expand accessibility and affordability.

One option would be to increase, again, the amount of money that we give to the states through the block grant, which is a very efficient way of helping states to increase quality and expand access, especially to low-income families. Another option is to build on the existing dependent-care tax credit, which goes to two-parent -- families with two parents who work. There are -- you can provide tax incentives to business as well. There may be other ideas that we come up with.

Q I'm going to take a little detour. Can you update us on what the White House is doing to get the tobacco deal through? And do you agree with Mr. Carlton's comments that you all will have the legislation through maybe some time next summer?

MR. REED: Well, I think none of us can predict when Congress is going to act. But, we're pleased with the broad support that the President's plan has received, both from Democrats and Republicans, and from the broad range of public health and other

interests. We're going to be working with members of Congress in both parties to try to keep this on a bipartisan track, and to make sure that we can see congressional action as soon as possible. Nobody wants it to get caught up in election-year campaign politics. So the sooner that Congress acts, the better for all concerned. But -- and it's hard to say in October of this year what the congressional calendar is going to be next spring.

Q Bruce, I'd like to ask you about the fiscal environment -- the new, more favorable fiscal environment that the administration has, as you look toward the proposals the President's going to make in the State of the Union.

Yesterday, the President came up with \$5 billion for global warming tax incentives, and obviously that's not going to bust the budget because your deficit numbers keep going down and down. Today, you have \$300 million as just a preliminary down payment. You're talking about other things that also have dollar tags to them. My question is, is it easier for the President today in this favorable fiscal environment to move toward putting a little bit of money into something like global warming and child care than it would have been, let's say, even a year or three years ago?

MR. REED: I think in fairness to Frank Raines and OMB, none of these budget decisions are easy. We still are living within very tight budget constraints, since we're likely to have a deficit in the coming year even if the projections continue to improve. All of these choices have to involve hard choices on where else to cut.

So I think this is certainly going to be one of the President's top priorities as he works on his next year's budget, but we still have to recognize that money doesn't grow on trees.

Q The President made reference to considering an increase in tax credits, raising the income threshold. I missed what you said. Was he thinking of the EITC, dependent care credit, or even doing something with the HOPE tax credit?

MR. REED: The major options for how to expand affordability are, first, as I said, expanding the child care development block grant which goes through the states and which states use to provide subsidies to low-income working parents, or expanding in some way the dependent care tax credit. And the dependent care tax credit is complicated, but let me try to explain it. It provides families with two working parents up to \$2,400 -- a tax credit against up to \$2,400 of child care expenses for one child, or \$4,800 for two or more children, and if your income is between, what, \$14,000 and \$28,000 -- is that right?

MS. KLEIN: Like \$10,000.

MR. REED: Ten thousand and \$28,000, you get to claim 30 percent of that amount as a credit against your tax bill. Above \$28,000, you get to claim 20 percent of your child care expenses against your tax bill, and then it phases out in the upper income limits. You could change that in a variety of ways. You could have it phase out more slowly or phase down more slowly for lower-income parents, you could increase the amount of money that is allotted for child care expenses. There are probably other ways as well. You can make it refundable. But I think we have made no decisions on whether we want to go the tax route or the block-grant route.

Q Or both?

MR. REED: Or both, that's right. And then, as you said, there are other kinds of tax credits that you could provide to businesses that would deal with accessibility.

Q Mrs. Clinton, yesterday, said that despite lip service to family values, we don't do enough for families who chose not to go into the work force and into day care. Are there any proposals kicking around that might provide some sort of relief -- tax relief or other relief -- for families who decide to stay home and care for their own kids?

MR. REED: Remember, the President just signed a balanced budget that includes a \$500 tax credit for children, which will help many families who choose not to have both parents working to be able to afford that choice. And the President spoke again this morning about the need to give working families a lot more flexibility by extending the Family and Medical Leave Act so that parents can get time off to deal with going to a doctor's appointment or a parent-teacher conference, and passing flex-time, which would give workers a lot more choice on the time they can spend around their children.

I think we'll probably look at other options as well. But I don't have any to give you right

Q Bruce, at the end of the discussion, the President talked about building a systematic patchwork that would prevent kids from falling through the gaps, and I wonder if there is any initiatives being talked about that deal with this -- insuring that there is something that's systematic, that doesn't allow kids to be -- some kids to get worse --

MR. REED: I think that we're not interested in some big federal program directed from Washington that sets one-size-fits-all rules. I think what the President would like to see is an effort to help more states and communities succeed at this, and an effort within the private sector for companies that don't do much in the way of child care to follow the lead of successful companies that do. That's why he's asked Secretary Rubin to go out and preach the gospel among his peers about the importance of child care to companies' bottom lines.

I think we have a long way to go on this issue, but the President and First Lady feel that calling a national spotlight to this issue when we have overwhelming evidence that it's in our economic interest, it's in our collective interest to make sure not only that our kids are safe, but that as they get older, that they're off the streets and not out getting into trouble, and that it's in the emotional, physical interest to help these kids' brains to learn and grow and develop well.

Q A couple of times on some of the things you've mentioned, when the President mentioned them, it was mentioned that there would be battles over budgets and the expense of some of these proposals. That hasn't been said about the bill that would be introduced to allow states to share background information. But was that one considered a breeze to get through Congress and do you know when it would be introduced?

MR. REED: I think we're sending up the legislation today. I can't tell you how controversial that's going to be. Jen, do you want to --

MS. KLEIN: Yes, I don't think I would use the word, "a breeze." I think it has some strong support, but it's a long road to get Congress to pass them and states to ratify it.

Q How open is the administration to the idea of encouraging workers to work two-thirds time if they're married? There is this idea of the four-thirds role, where each parents would only work two thirds of the time so they could spend more time with their children, in terms of encouraging employers to -- on that favorably.

MR. REED: I think we would want to encourage every employer to provide as much flexibility as they can to their workers, and we want to encourage parents to spend time with their children when they can. But this is ultimately a matter of choice and economic necessity based on the individual circumstances of every family. But certainly, we think it's good for the kids to be around their parents as much as they can. It's good for the parents, and it's ultimately, we think, good for the economy to have parents who are focused on work when they are at work and have a chance to focus on their children when they are at home.

Q How do you view some of the proposals kicking around the Hill reducing or eliminating the marriage tax? Are those things that you think will help on affordability? Or are those not part of your equation?

MR. REED: Well, it's a complicated issue because the tax code serves as a marriage penalty for about half of married couples, and something of a bonus for the other half. We haven't seen any proposals that can fix the problem with the amount of money we have on hand. But it's certainly something that we're looking at -- not necessarily the marriage tax per se -- but anyway we can find to help families be able to make the kind of choices they want to make.

Q Again, on the affordability issue, you mentioned the President and Congress got through the \$500 child credit, but that, as I remember, is phased in and not until '99 or 2000, the full \$500. In what you're looking at for the state of the union and various options, could it be one of your options to either accelerate the phase-in or even to boost the \$500 to \$600 or index it?

MR. REED: I think I'd get in trouble with Frank Raines if I committed to that.

Q Go ahead.

MR. REED: I think the -- we're very happy with the child care -- the children's tax credit that we got in the balanced budget. It costs a lot of money to provide across-the-board relief like that. And we think we've already gone a long ways, and to deal with the child care affordability question, there may be more targeted ways of doing it.

Q Can you reveal how much money or if there would be an increase or legislation necessary for the national service program to provide technical assistance to after-school --

MR. REED: That's not a -- we are in the midst of -- or well on the road to getting what we asked for for national service in the appropriations battle. But what the President announced today won't cost any new money.

Thank you.

END

1:30 P.M. EDT

THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release

October 23, 1997

REMARKS BY THE PRESIDENT  
AND FIRST LADY  
AT WHITE HOUSE CONFERENCE ON CHILD CARE

The East Room

10:00 A.M. EDT

MRS. CLINTON: Thank you and please be seated, and welcome to the White House Conference on Child Care. We are delighted to have with us in the East Room today members of Congress and the President's Cabinet, other officials from the government here in Washington. We have many elected officials from around the country and a great group of distinguished guests, including parents and experts in this important issue.

I also want to greet the hundreds of people gathered at the Departments of Agriculture, Labor, and Health and Human Services here in Washington, and to the thousands more who are joining us via satellite from the more than 100 sites at universities, hospitals and schools and businesses around the country.

I'd like to take a minute for all of us to think about what's happening in America this morning, and about what happens every morning. Parents are making the preparations to get to work, and those preparations include for most working families putting their children in the care of others. And most, even before they're out the door, are worrying about the logistics of the care that their children will receive. Some are even worrying about the safety or quality of that care.

There are many who are wondering whether they would get better quality care if they could pay more. Others are struggling to determine how they'll be able to afford next month's payment. And there are many who are in the work force who worry every day about how they'll care for their child and hold down the job that they need. Many parents will go to work, but have trouble focusing on work because they are worried about the sniffle that their daughter had or wondering how their son is faring.

And before we finish today, many more working parents will keep looking anxiously at the clock and will murmur into telephones the instructions that their children need after school, because their concerns don't end at the end of the day for their children's school time, because parents won't get home, so that they have to worry about what happens to keep their child safe and well occupied during those hours, as well.

These are just some of the questions that America's parents are asking themselves this morning and every morning that they prepare to go to work. Some parents ask themselves these questions in the afternoon, as they prepare to go to a swing shift, or at midnight as they start to work in one of the other jobs that are essential to keeping our economy strong.

Earlier this month I went to the University of Maryland to visit its center for young children, and as soon as I walked in the door I knew immediately it was the kind of place any of us would feel comfortable sending our children. I was, frankly, tempted to

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sign up myself. The walls were painted bright colors. There was lots of natural light. The workers there were creative, energetic and focused. Inside there were toys and crafts material. Outside there was a playground. And the children looked happy and occupied and full of energy.

Now, later I left the center to make a speech, and after the speech I opened the floor to questions. And the very first question was one that I thought summed up the dilemma that we face today. It came from a divorced mother who works full-time as a secretary at the university. To send her 4-year-old son to the center I had visited, she told me, would cost \$6,000 a year, a quarter of her income, and she just couldn't do it. She had to do some real juggling to get the situation that she told me about. She was able to send her son to another less expensive center because she qualified for a scholarship, and she moved back in with her parents. Otherwise, she said, I would have to quit my job and go on welfare, and then I would have to worry about who would watch my child as I looked for a job.

She and so many women like her are the reason we are here today, and parents like Paula Broglio, who is here with us in the East Room, represent the millions of parents who worry about this important issue. Thirteen million American children spend all or some of their day being cared for by someone other than their parent. Yet, a recent national study found that child care at most centers in our country is, "poor to mediocre, with almost half of the infants and toddlers in rooms having less than minimal quality."

The study also concluded that fully 40 percent of the rooms serving infants in centers provided care that was of such poor quality as to jeopardize children's health, safety or development. A recent University of Colorado at Denver survey of child care in four states found only one in seven child care centers to be of good quality.

And quality care, as Paula and so many others know, when it is available is often financially out of reach. According to the 1995 census, families earning under \$1,200 a month or less than \$15,000 a year pay an average of 25 percent of their income for child care. Middle class families are hit hard as well. These families, earning up to \$36,000 a year pay 12 percent of their income for child care.

The urgency of this conference today to focus on child care is heightened by the new scientific information we have about the emotional and intellectual development of young children. As we learned at the White House Conference on Early Childhood Development in April, what happens to a child in the earliest years affects how well he or she learns for a lifetime. With 45 percent of our children under the age of one in day care regularly, the issue of quality has tremendous bearing not just on individual lives, but on the future of our nation.

What's more, we now know from other studies that good care, whether given at home or in a day care setting, is good care. Done right, day care can be beneficial for children, and it is, therefore, worth our investment.

There's another reason that compels us to act, and that is demand. Demand for quality child care is growing, hastened on by our new economy, which has meant in the last 40 years dramatic changes in the American work force and in the American family's life. We know, for example, that half of all mothers with children under one year of age are working outside the home, and not only are more parents working, they are working longer hours. Also, with welfare reform we know that many more children will be needing quality child care.

So this conference is meant to start a conversation. It is only one day, but we hope it is a day that will renew our efforts to improve child care in America. We also hope it will involve our entire national community, because every aspect of our life together must be involved in looking for solutions. The federal government has a role to play, but so do state governments, business and labor, the nonprofit and religious communities, school systems, individual citizens, and especially parents.

We also know there are models of excellent child care around the country and we will hear about some of them -- like the military's day care system or the Smart Start Program in North Carolina. These initiatives provide examples of best practices and can energize and inspire us to do more.

We also know how important it is to ensure choice for parents in their selection of child care. One size fits all child care does not fit America's families. We don't work the same hours, we don't have the same economic or other kinds of pressures that we're dealing with, so we have to provide more options and we have to empower parents with good information to enable them to become good consumers. We also have to find ways that would make it easier and more affordable for parents who want to stay home with their children for some period of time to be able to afford to do so.

So I hope we approach this conversation with a certain fearlessness, with the same kind of energy that I see on the face of a three or four-year-old who's going about some task that he knows will occupy himself. We need to have the same kind of fearless approach, asking the hard questions and then listening to the answers.

There will be a lot of questions raised today -- questions about how to ensure the safety of every child in child care; how to do a better job of training and paying care-givers; how to encourage more employers to provide child care benefits of some variety to employees; how to make successful after-school programs more widely available; how to meet the needs of children with disabilities; how to better support parents who choose, often at significant cost, to stay home with their children; how to ensure that quality and affordability do not come at the expense of one another; and how to learn from the good models that we have in every community and state of our country; and, also, how do we leave ideology at the door and honestly address the real needs of America's families.

These are tough questions, and there are many more that we will be considering today. But we consider these questions at an opportune time. And we hope that this conference will spur the conversations around kitchen tables and water coolers and standing in supermarket aisles or at soccer games, or while going to or from work in the carpool -- whatever it takes to engage more Americans in this discussion, to make it clear that we want American parents to succeed at the most important task they have, caring for the next generation, and to be good workers who contribute to the economy and the quality of life that we enjoy in our country.

Now I'd like to address your attention to a video produced by New Screen Concepts, in association with the Families and Work Institute, entitled, "Why Should We Care about Child Care?"

(Video is shown.)

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MORE

THE PRESIDENT: Thank you very much. Welcome to the White House. Thank you very much, Kathy Carlner, for your remarkable statement. And I thought you were very good in the film. Rob Reiner wants to give you a screen test. (Laughter.)

I am so happy to see all of you here. There are many people here who might well be introduced, but I think I must start with the people who are terribly important to whether we will be able to fully achieve our part of the great agenda we are going to lay out today -- the members of Congress who are here. And I'd like to call their names, and then when I finish, ask them all to stand.

Senator Herb Kohl, who sponsored legislation on child care; Senator Jack Reed; Congressman Bill Clay; Congressman Sandy Levin; Congresswoman Rosa DeLauro; Congresswoman Lynn Woolsey; Congresswoman Sue Kelly; Congresswoman Maxine Waters; Congressman Xavier Becerra; and Congressman Nick Lampson. Would the members of Congress who are here please stand. Thank you for coming. (Applause.)

I'd also like to thank my longtime friend -- Hillary and I have been friends of Governor Jim Hunt and his wife, Carolyn, who are here, for almost 20 years now. And I think Governor Romer is here or on his way. Mayor Clever, we're glad to see you. And John Sweeney, the head of the AFL-CIO, and others who have come to be with us today, I thank you very much.

This is a happy day at the White House, first for all the people in the administration and all those who have worked with them for months and months and months to help this day come to pass; and second, and even more important, from my point of view, this is a happy day because I have been listening to the First Lady talk about this for more than 25 years now -- (laughter) -- and it may be that I will finally be able to participate in at least a small fraction of what I have been told for a long time I should be doing. (Laughter.) And I say that in good humor, but also with great seriousness.

This is an anniversary of sorts for me. It was six years ago today as a newly-announced candidate for President that I went back to my alma mater at Georgetown and began a series of three speeches outlining what I thought America ought to look like in the 21st century and what I thought we would have to do to create a country in which everyone had an opportunity, everyone was expected to be a responsible citizen, and where we came together across all the lines that divide us into one community.

There are many things that are necessary for that to be done, but clearly two of them are, first, people in this country have to be able to succeed at work and at home in raising their children. And if we put people in the position of essentially having to choose one over the other, our country is going to be profoundly weakened. Obviously, if people are worried sick about their children, and they fail at work, it's not just individual firms, it's the economic fabric and strength of the country that is weakened. Far more important, if people fail at home, they have failed in our most important job, and our most solemn responsibility.

Second, we'll never be the kind of country we ought to be unless we believe that every child counts and that every child ought to have a chance to make the most of his or her God-given abilities.

That's why we're here today -- to examine where we are and what we still have to do. And what we still have to do is quite a lot, to make sure we live by what we believe when we say that all parents should be able to succeed at home and at work and that every child counts. No parent should ever have to choose between work and family; between earning a decent wage and caring for a child.

Especially in this day and age when most parents work, nothing is more important, as you have just heard Kathy Carliner say, than finding child care that is affordable, accessible, and safe. It is America's next great frontier, in strengthening our families and our future.

As the Catholic Conference has noted, no government can love a child and no policy can substitute for a family's care. But there is much that we can do to help parents do their duty to their children. From my days as governor of Arkansas to my service as President, strengthening families has been a central goal of what I have worked on. I'm very proud that the first bill I had the opportunity to sign into law as President was the Family and Medical Leave Act, so that no parent has to choose between caring for a child or keeping a job when a family member is ill.

The expanded earned income tax credit helps to ensure that parents who work don't have to raise their children in poverty. No one who is out there working full-time with children should have to worry about that. Expanded Head Start programs are serving more families than ever before. We've collected record sums of child support enforcement. The historic balanced budget I signed this summer provides a \$500-per-child tax credit and helps parents to pay for their children's college education through IRAs, expanded loans and Pell Grants, the HOPE Scholarship and other tax credits.

The Congress has before it now a program of Secretary Riley's called 21st Century Community Schools in which we ask for funds to help our states keep our schools open after classroom hours for children who have no place else to go and need that environment.

We've also made some progress on child care. Since 1993, child care assistance has increased by 70 percent to help families pay for nearly a million children. Last year in the welfare reform debate, we fought and won the battle to expand child care assistance by \$4 billion over the next six years, giving states an unprecedented opportunity to lead, to innovate in efforts to make child care more affordable.

But we have to do more. With more families required to rely on two incomes to make ends meet, with more single-parent families than ever, more young children are left in the care of others even in their earliest years. And as the First Lady said, we learned at our Conference on Early Childhood and the Brain, that's when children develop or fail to develop capacities that will shape the entire rest of their lives. It's also true that more and more schoolchildren are returning to empty homes after school.

The first thing we have to do is to make it possible for parents to spend time with their children whenever possible. That's why I hope the Congress will vote to expand the Family and Medical Leave law so that parents at least can take some time off for their children's medical appointments, teacher conferences and other basic duties. And I support flex-time laws that will allow workers to choose between receiving overtime in pay or in time off with their families.

But during those times when children can't be with their parents, they must get care that keeps them safe and that helps them to learn and grow. As we all know, too often that isn't the case. Too often, child care is unaffordable, inaccessible and, sometimes, even unsafe. The cost, as Hillary said, strains millions of family budgets. And government assistance meets just about a quarter of the need. Even for those who can afford it, sometimes good care is hard to find, as Kathy said in her remarks. Waiting lists sometimes takes months or years to move, forcing many parents to cobble together unstable arrangements.

The shortage of care puts older children at risk, as well. Five million of them between the ages of five and 14 are left to fend for themselves after school. And as they get older, that increases the chances that they'll be exposed to drugs, tobacco and crime.

Finally, studies have shown that too many child care facilities are literally unsafe. The tragedies that have befallen families who depended on child care continue to make headlines all across our nation. This conference is an important step forward in addressing all these issues. What we learn today should spur us on to find ways to help parents, all parents, afford safe, affordable, high quality child care, whether it's at home, a child care center or a neighbor's house.

In the coming months, our administration will develop a plan to be unveiled at the next State of the Union, to improve access and affordability, and to help to ensure the safety of child care in America. In the meantime, I want to announce four specific things we can do right now.

First, I'm asking Congress to establish a new scholarship fund for child care providers. (Applause.) Too many care-givers don't have the training they need to provide the best possible care. Those who do have training are rarely compensated with higher wages. The scholarship program I propose will help students earn their degrees as long as they remain in the child care field for at least a year, and it will ensure that care-givers who complete their training will receive a bonus or a raise.

Second, we have to weed out the people who have no business taking care of our children in the first place. I am transmitting to Congress the National Crime Prevention and Privacy Compact, which will make background checks on child care providers easier and more effective by eliminating state barriers to sharing criminal histories for this specific purpose. I urge Congress to pass and states to ratify this legislation.

Third, I've asked Secretary Rubin to oversee a working group on child care, composed primarily of business leaders working with labor and community representatives to find ways more businesses can provide child care or help their employees afford high quality child care. And again, I thank John Sweeney for his important support of this initiative. (Applause.) In some ways the most gripping part of that film we saw was the father talking about how he was just consumed with worry at work. No parent should ever have to go through that.

Finally, we must use community service to strengthen and expand access to after-school programs. Today, the Corporation for National Service through its To Learn and Grow Initiative will pledge to help after-school programs all across our country to use volunteers to provide better care to children. It is releasing a how-to manual for groups who want to incorporate community service into after-school programs. And I think that, Secretary Riley, if we can win in our little budget battle here on the 21 century community schools, then together, we can do some real good out there on this issue.

My friends, for centuries, over two now, the American Dream has represented a compact that those who work hard and play by the rules should be able to build better lives for themselves and for their children. In this time, and even more into the future, child care that is too expensive, unsafe or unavailable will be a very stubborn obstacle to realizing that dream. So let us commit ourselves to clearing the obstacle, to helping parents fulfill their most sacred duty, to keeping the American Dream alive for them and most important, for their children.

Thank you very much. (Applause.)

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MRS. CLINTON: You know, Ellen, I think that your work over the last number of years from the Families and Work Institute has really helped to highlight a lot of these issues. And one of the most important audiences for this conference, of course, are parents. And I'd like to ask you how we do a better job of empowering parents to make choices about working and child care that are best for their families, and as a subsidiary of that, in particular, what are your views about how we can support parents who want to stay home with their children?

MS. GALINSKY: Well, have the notion in this country that there is a system of choice, but, in fact, if you look at parents choosing child care, we find in our studies between 58 percent and 75 percent of parents feel that they have zero other choices other than the arrangement that they've chosen when they have child care. So, of course, we need to provide better quality child care. And we need to provide the choice for families to stay at home that's a real choice. And you talked about the earned income tax credit and you talked about family medical leave. So it's income and it's programs and policies that support them.

But I think even more important is respect. Right now, I feel often when I talk to mothers and fathers around the country that those mothers who work feel that they're doing something wrong, that they're missing out on their child's life, that society is judging them negatively. And the mothers who are staying at home feel that they're losing the opportunity to earn money and that society is judging them negatively.

So I think what we need to do is to -- you know, I keep wondering, what are we doing to this generation of families? Let's really not only provide real choices, but let's respect them in the choices that they make.

MRS. CLINTON: Thank you.

THE PRESIDENT: I'd like to ask one question. First of all, I can't help saying this -- when I heard you say that warm and responsive child care actually triggered a biochemical reaction that reduced stress -- I wish we could have a center like that for the White House staff and the Congress staff. (Laughter.) We may actually come up with a revolutionary new proposal here today. (Laughter.)

Let me ask you a serious question. One of the things that I have, that I constantly try to deal with here that I'm super sensitive to because I was a governor for 12 years before I came here, is trying to determine who should do what -- what we can do and make a difference; what we have to basically either exhort or incentivize or require some other people to do.

I was quite taken by the comment you made that only 36 hours of training of a child care worker can make a huge difference. I can't help thinking there probably are a lot of young, often single parents that might benefit from the same 36 hours of training. And I'm wondering how you think that issue ought to be dealt with. Should states basically upgrade their training standards and put funds into it? Should there be training centers established, more than are there now, even if everybody were required to do it? Are there enough places that do the training in all states?

Talk a little bit about how we might set up an infrastructure and pattern of training to give -- let's suppose we said within two years we wanted every child care provider, even people who do it out of their home, wherever, to get the 36 hours of training, and we'd like it to be open, let's say, to low-income parents who are having their first child -- how would we do such a thing?

MS. GALINSKY: The block grant in child care actually, I think, was very helpful. Some of the programs that we looked at were supported by that. And what they did was to let communities determine how best to meet the needs of the people there. But what was particularly interesting to me in that -- so you need to make training available, you need to also make it -- and I think your proposal is terribly important -- you need to make sure that people who get training then make enough money to be able to stay in the field.

People came into the training in our study for, not so much to learn about kids, but they came into training to figure out, what do I do Monday morning, how do I deal with business practices, sort of the more practical aspects of how do I manage my job. And then they got interested in kids and their development. And when that 18 to 36 hours of training was over, almost everyone, more than 95 percent, wanted to continue their training and they wanted it tied into a credentialing system. They wanted to get college credit for it. And then we followed them over the next year or so and about half of them did get more training.

So it's not just that 36 hours is a magic number or that there's a magic bullet. It's the opportunity to provide meaningful training, training that really helps people where they are in their own development, and to have it continue.

THE PRESIDENT: But what percentage of the people who are now providing child care get that kind of training? That's the question I'm trying to get.

MS. GALINSKY: Well, I don't really know the exact figure of that, but I don't think that it's very many. I mean, in most states in the country all you have to do to start being a child care provider is be alive and breathing and over 18 years old, and hopefully be a good person, as you're saying. And then you have to promise in many states to get training. In a study that we have just finished and hasn't been released yet, even though they required 30 hours of training in that state, very few people actually did it, and it was required. So it's not enough to require it, we need to have a system that supports it.

In that particular study, there were obstacles to getting the training. It wasn't so easily accessible and they couldn't have time off to do it. So we need to create training that is available, affordable, nearby and good quality, and we need to have the whole child care system support it. You have a requirement and then you don't enforce it, you might as well not have it.

MRS. CLINTON: You know, that just reminds me of how often I've heard it said that we have all kinds of licensing and professional requirements for people who do your hair or other kinds of important functions. Why did I think of hair first? I don't know. (Laughter.) Can't imagine. But we don't have anything like the same licensing, credentialing requirements for people who hold themselves out as child care workers. So there is a real disconnect between what we say is important and what we value and what we have systems for supporting.

Thank, you, Ellen.

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THE PRESIDENT: Thank you. I would just like to make a couple of observations. I thought what you said was terrific. First of all, until -- the crime rate in America's been going down for five years now, rather steeply, but it's been going up among people under 18. It may have leveled off, maybe dropping a little bit now; we're hopeful. But if it is, it's because more and more communities are doing what you suggested. We need another -- at least another year to see whether it's changed.

But you are very familiar with what's been done in Boston, and one of the things that's been done is the whole juvenile justice system has been geared to be warm and responsive. Juvenile probation officers make house calls will police officers. And community groups walk the streets in the afternoon to, basically, almost pick the kids up and give them things to do and get them involved with things. And as far as I know, it's the only major city in America where nobody under 18 has been killed by a gun in two years now. But, it's not rocket science. It's a systematic attempt to take personal responsibility for all these children after school. And I can tell you; you see the flip side of it in these juvenile crime rates -- it's really touching and quite moving.

The other thing I wanted to say is I wonder if you have any sense, just as a practical matter, of whether these programs tend to work better is they are school-based. And the reason I ask that is I think that we fight these battles around here all the time of how to spend the school money, and most money for schools comes from the state and local level, anyway. But I think one of the biggest problems that these schools have on the issue you've talked about is in school after school after school after school, financial problems have caused them to cut back on their art programs, cut back on their music programs, cut back on their non-varsity athletic programs, the things that children used to typically do after school or could stay after school and do. The school districts as they're now budgeting and as they're now staffed and under the rules under which they now labor, they cannot -- more and more schools are dropping these programs. And I think it's disastrous, because a lot of it is just exactly how children relate in kind of a nonlinear, just purely intellectual way that both of you have said is so important. And I was wondering if you've seen that and if you think that's contributing to the problem.

I mean, a lot of people, without any programs, used to just stay after school because there was an art project, there was a music project, you were getting ready for a concert, the intramural teams were playing. And this is -- you know, there are huge school districts in this country where all of these things are a thing of the past. People look at you like you've lost your mind when you talk about this now; they haven't had these things in years.

And it may be that one of the things we ought to be exploring is whether we can reinstitute some of these things in the lives of our schools that would naturally lead to an out-of-school atmosphere so they wouldn't think about adopting a new program approach. Anyway, I just kind of wanted to ask you that: Are the schools the best place if they work, or does it not matter if you do it right?

MS. SELIGSON: I think it should be a matter of whoever is ready, willing and able to do after-school programs. And I think if schools are ready, willing and able to do them and to find the resources to make them enriching and creative environments, then schools should be the place. But it's not an either-or situation, because really schools can partner with community-based organizations, and most of the school-based care that's out there

right now looks like that. It looks like partnerships with the Y or with community organizations.

And then there are some school districts that have put money behind after-school care because they see it in their best interests to do that in terms of what the outcomes will be for the kids. And some Title I money is going into after school programs. So I think all of it possible. I don't see the schools as the only locus. And because there is such local autonomy about decision-making, the local school board makes those decisions, it's very much a community-by-community decision.

MRS. CLINTON: Can you speak more, though, about what makes up a good after school program? What are the components that you would look for as a parent or as a community leader who wanted to provide such a service in your community? Because sometimes I worry that, just as the President was saying, a lot of what we took for granted when we were growing up is no longer readily available. And a lot of the after-school programs that I visit or that I hear about seem so academically oriented, they're not letting kids sort of blow off steam and explore other talents and be part of doing something different. So perhaps you could talk a little bit about what the components of a good after-school program are, and address the issue about whether or not they're valuable only if they are academically oriented.

MS. SELIGSON: Well, of course, the single most important feature in an after-school program that one would call good is the staff. And that means people who have been trained, who are prepared to work in these informal learning environments with kids.

The other thing that I'd like to say about the academic programs is that academic programs are fine as long as they understand, those program planners understand that you can't do academics alone in a vacuum without meeting the other needs of kids. Because kids will vote with their feet, and even if they stay in the program, they may be absent emotionally or mentally. So all programs should have good space, comfortable facilities. Children should feel that they're not just occupying a cafeteria that isn't really theirs, where they can put their things down, where they can start a project and not have to wrap it up before they're finished with it, where someone actually looks at them and says, aha, so you're interested in radio or chess or macrame or whatever, and really takes the time to create opportunities for that child to learn how to do those things and do them well.

So I think it's about, as I said, the relationship and the individual, the nature of the relationship between the staff and the individual child. And I think also for parents, it has to be a place where they feel comfortable coming. Many parents find after-school programs to be sort of gateways for them into the school, sort of mediating places, a way to feel more comfortable themselves with the actual schoolteachers and the regular school day.

MRS. CLINTON: Thank you very much, Michelle.

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THE PRESIDENT: I have to excuse Secretary Rubin in a moment to return to his duties, but I wanted to make one point and ask one question. The point I want to make is, he tries real hard to put on that sort of cold shtick, you know, that this is just economics, but -- (laughter) --

SECRETARY RUBIN: "Shtick" is an Arkansas term.  
(Laughter.)

THE PRESIDENT: I learned that from him, that word, you know. (Laughter.) But I'm sure you could see there was more there.

It occurred to me, listening to you talk about this, that this child care issue is an example of what makes our work both wonderful and maddening. How many times has Secretary Riley and I said that every problem in American education has been solved by somebody in some school somewhere, so why don't we get uniform excellence.

I just had the most difficult policy development process I have been through I think since I've been President, that Secretary Rubin and I did together; it was on trying to develop America's position on climate change. But it had very little to do with the science. There is literally enough technology out there today to enable us without lowering our standard of living, indeed while raising our standard of living, to substantially cut our emissions of greenhouse gases. And I can cite you industry after industry after industry that's made a ton of money doing it on their own, so why doesn't everybody do it? Why don't we even have a critical mass of companies doing it? And I ask you that question. So we've got another example here with child care.

If you can cite these examples where all of these companies are making money and having happier, more productive employees, what are the barriers? Why is the market dysfunctional in cases like this, and what can we do to make it work? Because if we were trying to get hookups to the Internet, we'd have 100 percent penetration in one-tenth of the time it takes us to get 10 percent penetration for educational excellence, environmental conservation or spread of child care. What's the difference? (Laughter.)

SECRETARY RUBIN: Are you asking me? (Laughter.)

THE PRESIDENT: I think it's the single, most important question about social policy today. You and I think about this all the time, but I don't know what you think about this.

This is not in the notes, he's not prepared to say this.

SECRETARY RUBIN: You're the President of the United States, you're supposed to know the answer to these things. (Laughter.) But having said that, I'll give you a view, whatever it's worth.

I think, Mr. President, you make a very good point. And I think you can point to a lot of other areas where the same thing is true. I think what we need to do -- and it's true with respect to the importance of our country and the global economy, -- the importance of trade liberalization and a lot of other things -- I think there is a need for a massive effort of trying to improve the understanding of people in all parts of our economy and our society about what we really need to do in this new and modern global economy. And I think one of the great difficulties is trying to communicate what really matters -- issues such as this in a world which has so much else coming in at people that, really, in my judgment, matters very little.

But I think that your point here, which is to set up a private sector group of some sort -- or it wouldn't be totally private sector necessarily, but a group of people of some sort, try to identify the best practices; try to identify what works, try to identify problems, and then go out and amongst their peers try to bring to their peers the same understanding they they've acquired through their own experience is maybe the most effective and best way to do this, rather than having somebody else who is not part of their world talking to them and trying to bring them into a shared understanding. And that's at least what we're going to try to do with this, Mr. President.

THE PRESIDENT: Thank you. (Applause.)

MRS. CLINTON: Thank you very much, Secretary Rubin. It is true -- I think you could hear the frustration in the President's voice, that he spends a lot of time, and all of us around him spend a lot of time, and all of us around him spend a lot of time wondering why the best practices and the model programs in a variety of areas in our country don't receive greater awareness and provide more models for people to follow, so that we could spread the success that is evident in so many ways every time you travel around our country.

And we're going to turn to the next part of our program and in a way start addressing this very issue, because Part Two is how we are doing in meeting the challenge and what we need to be doing.

We're going to turn to four additional experts who will address how we're working to assure that families have access to safe, affordable child care, and also give us some insight into what is working well and what we might do to try to replicate that.

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THE PRESIDENT: I was glad to hear what you said about not being able to sit still after 3:00 p.m. (Laughter.) I'm glad to know you've been sitting still before 3:00 p.m. (Laughter.) I have never seen you still for two minutes in all of our acquaintance. This is amazing. (Laughter.)

I don't think you can answer this now, but I think it's quite important that we be explicit about a dilemma that we will face as we move toward next year, the State of the Union, what our position ought to be. We all know that there will be in the context of the budget agreement we just adopted, fierce competition for limited money. We're going to have some more money to put into this; we'll do the very best we can. It will be a priority, but still, it seems to me that there will be competition for what the best way the federal government can spend more money in child care is.

We could increase the tax credit to either make it more generous to people who get it now or move it up in the income limits. We could expand Head Start, particularly the Zero To Three program, where we've only got just a few thousand kids now -- 25,000 or something. And I think the early results are pretty promising. It's a terribly important initiative. Or we could devise some way to help get these salaries up, which is abysmal.

When you were talking about the salaries, Hillary gave me a chart which showed that child care workers on the whole are better educated than the American work force and lower paid. So we keep saying we want all these people to come in and get more education and more training, and yet -- and there are some cases where people don't have any education or training, but there are a lot of them that are quite well-educated that are working for ridiculously limited wages. (Applause.)

So what's your sense about now we ought to go about making that decision? And I'll just give a blanket invitation to the audience, too, that if you were in my position and you knew you couldn't do a hundred percent of all these things, would you do a little bit of all of them, would you focus on one, would you focus on the other? And I invite you to make your views known to us either today during the course, or in writing -- because this will be a difficult thing. Congressman Lampson is still here; he's going to have to make a decision about how to vote on this stuff. And we will have to decide.

SECRETARY SHALALA: Mr. President, I think that all of us would say to you we have to invest resources in quality. Start with the basics -- health, safety and encouraging a good learning environment, focus on the care-giver, start with the care of our youngest children and also our school-age children. But it has to be a quality agenda. That's where the weakness is in the system, and focusing on those care-givers is going to be very important in the future. (Applause.)

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THE PRESIDENT: Well, thank you very much. I agree with the last thing you said for sure. (Laughter.)

Let me say; the reason I wanted Governor Hunt to come here today, apart from our 20 years of friendship and my immense admiration for him, is that -- if I could go back to the question I asked Secretary Rubin -- the great trick we have with all great social questions in America is that we know that government can't solve alone, either because we don't have the resources or the capacity, is how to have grass-roots, community-based partnerships that still, when the day is over, add up to a system that serves everybody instead of just makes nice, touching stories we can all tell each other at seminars till kingdom come.

And that is what they have done in North Carolina. They have kept the entrepreneurial spirit, they have the partnership. They've cobbled money together, first one place, then another, and he's put a lot of new money in it, and because he has taken this initiative and set up a framework within which creativity and partnership can flourish, they have a system. And I still believe -- I'll say it again -- I think that is the great sort of challenge that America faces that goes across so many of our problems and plainly relates to this.

The only question I wanted to ask you about it that I would like you to specifically address is, do you have enough money to deal with the dilemma that raising quality standards must increase your cost to some extent, and does that price anybody out of it? And if not, why not?

GOVERNOR HUNT: Well, Mr. President, we don't have enough money. We've put about an additional \$100 million of state funds into this in the last two or three years, and we've been bringing the counties in as they prepared for it. Three years from now -- they have all gotten some planning money. They really have to really show that they're doing this right. Three years from now, our plan is to have \$300 million state dollars in this, in addition to what we had before, federal money and so on. (Applause.)

We think that will get us pretty close to quality for kids. But it may not be enough, and costs go up. It is terribly hard to get the resources. That's why we've got to understand how important this is. You can't do this on the cheap. You really can't. (Applause.) That's why we need businesses' help. We need everybody's help we need the in-kind, churches providing the places, and we need all the federal money we can get, Mr. President. (Laughter.)

THE PRESIDENT: You know, just one other thing I'd like to say that I think we ought to consider -- this is a little thing, but you talked about the bully pulpit -- I think a lot of people are just plain, old-fashioned ignorant about what's involved in being an effective, successful child care worker, would be surprised at the average educational level of child care workers in America and the average pay. And I think that we ought -- one of the things that we ought to do with this bully pulpit idea of yours is start trying to find ways that every community and every state can honor outstanding

child care workers the same ways we honor teachers today, or scientists or others. (Applause.) Because, I think that's terribly important. I just don't think society -- I don't think they mean to devalue people in this work, I just think they don't know -- most people.

GOVERNOR HUNT: Mr. President, if I may, last year, Mrs. Hunt and I had a statewide gala banquet, 1,200 people or so in the State Capitol to present the awards to the top child care-givers like top teachers. And they came from all over the state. And we had the winners in every county. We really need to really start doing that, showing our appreciation, holding these people up, telling how important this is. We've done it some for schools, not nearly enough. You're going to honor teachers tomorrow right here. But we need to do it for child care-givers, the most important teachers in the world.

PRESIDENT CLINTON: I don't think you can underestimate how important it is for people to say to other people that they matter. And if it matters in your personal life, it's got to matter in all these other areas, too. I think it's a big issue.

MRS. CLINTON: Well, I just want to thank Governor Hunt for his example, because one of our hopes is through this conference to highlight what states are doing. He mentioned some of the other states that have very good practices and are expanding the supply of affordable quality child care. I know that the President fought very hard to put into the Welfare Reform Act that there be a provision that would set aside a portion of federal child care dollars to improve quality in the states. And that's a very important aspect of what we hope states are going to be able to do.

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MRS. CLINTON: Dr. Washington, that was an excellent analysis of what we are confronting. And what would be your advice about how the President, governors, all of us who are concerned about this issue could do more to engage communities in this discussion where either the community themselves, or the leadership of the community don't think they have any particular stake in trying to pursue the sort of process that you outlined and that Governor Hunt has put into practice in North Carolina?

DR. WASHINGTON: Well, as we've all heard today, we all benefit from quality child care. We've got the word out that child care is a collective good. That's why the federal role and the state role and the local role is so important. Child care is a collective good that doesn't just benefit the people who receive the service, the children and the families themselves, but it gives benefits that accrue to the whole society. That's what we've heard the Secretary speak to. We've got to get this message out in our communities, child care is a collective good; we all benefit from child care.

MRS. CLINTON: Thank you very much.

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THE PRESIDENT: Well, that is, I think, an extraordinary way to wrap up our morning session. I can't think of anything that could be added to what you said. But if you think about what all of our last speakers said, it amounts a plea to us to do what we can to both increase the coherence and completeness of community-based action within a framework that creates a system that involves all our children.

And again, let me say to all of you involved in this work, I am profoundly grateful to you. I thank you for being here today. This has been an immensely enlightening day to me. I have

been struggling to understand this issue, especially since one day several years ago -- we all have our little epiphanies in life about these matters, but Hillary had been talking to me about child care for years, and one day -- and I was running for governor, more than well over a decade ago -- I used to make a habit in every election season of going to the earliest plant gate in my state, because the workers came to work between 4:30 a.m. and 5:30 a.m. And even the vote-hungriest politicians wouldn't get up that early. (Laughter.) So I always had them all to myself.

And I never will forget, one day I came home and I told Hillary, I said, "you won't believe what happened to me at a quarter to 5:00 a.m. this morning," it was a Campbell soup plant in North Arkansas, and this pickup truck rolled up. And as often happened, the husbands and wives, and one was taking the other to work and they would come up in the dark and kiss each other good-bye. And so this pickup truck came up and this lady leaned over and kissed her husband good-bye and opened the door. And the light came on, and inside were three children under the age of five.

And so I went over and talked to the young man when his wife went in to work -- at a quarter to 5:00 a.m. I said, what are you doing with these kids and how do you do this? He said, well, we've got to get them up every morning at a quarter to 4:00 a.m. And we dress them up. And he said, I keep them as long as I can, but I have to be at work at 7:00 a.m. So I had to find somebody who would take care of them at 6:30 a.m. Three kids under five. But, he said, we've got three kids under five. We both have to work.

Now, there are millions of stories like that. And they are no less gripping for the parents than those who don't have quite such strange circumstances. But it is inconceivable to me that we have had all of you wonderful people working at this and we've put all this money in it, and we still never develop a systematic approach or, in the words of Patty, a quilt that everybody can be a part of. And that, I think, we should all leave as our mission.

Thank you very much. (Applause.)

END

12:28 P.M. EDT