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001. memo	Lyn Hogan and Cynthia Rice to Bruce Reed re: Child Care: Possible Events (partial) (1 page)	03/11/97	P6/b(6), b(6)

COLLECTION:
Clinton Presidential Records
Domestic Policy Council
Cynthia Rice (Subject Files)
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RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]

P1 National Security Classified Information [(a)(1) of the PRA]
P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
P3 Release would violate a Federal statute [(a)(3) of the PRA]
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b(6) Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]
b(7) Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]
b(8) Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
b(9) Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

PHOTOCOPY PRESERVATION

The Washington Post

FINAL
Inside: Weekend
Today's Contents on Page A2

120th Year No. 120 FRIDAY, APRIL 4, 1997 Prices May Vary in Areas Outside Metropolitan Washington (See Box on A2) 25¢

Md. Assembly Passes 10% Cut In Income Tax

Rate Will Dip Below 5%, Costing State $500 Million

By Michael Abramowitz
Washington Post Staff Writer

Maryland's Democrat-controlled General Assembly yesterday embraced a theme usually promoted by Republicans, giving final approval to a plan to cut the state's standard income tax rate below 5 percent for the first time since 1967.

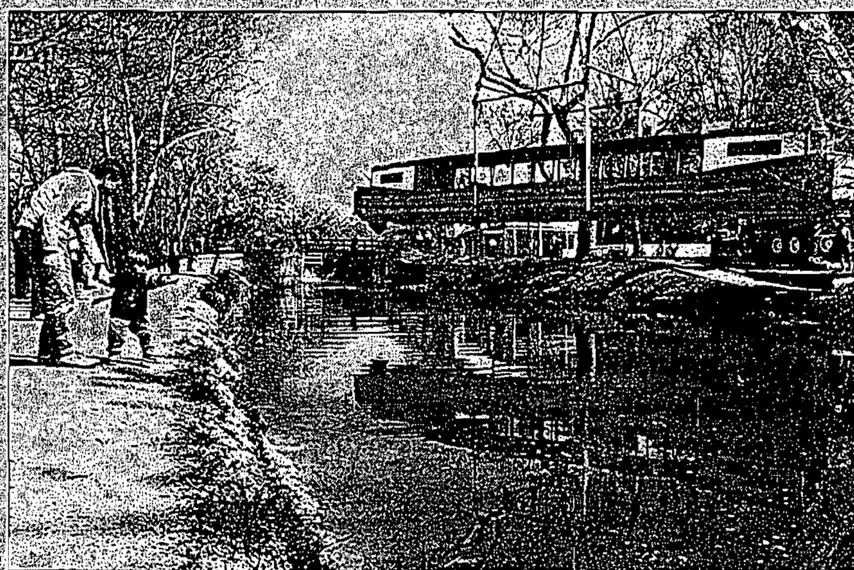
The legislation, which Gov. Parris N. Glendenning (D) indicated he will sign, will reduce the state's revenue from personal income taxes by 10 percent over five years. It eventually will reduce the rate most Marylanders pay from 5 percent to 4.75 percent, while also lifting the personal exemption, the amount an individual can shield from taxation, from $1,200 to $2,400.

Once fully phased in, the tax cut will save about $291 for a typical family of four making $40,000 a year and about $104 for an individual making $25,000, fiscal analysts estimate.

The District's top income tax rate is 9.5 percent. Virginia's is 5.75 percent. However, Maryland counties add a "piggyback" tax of up to 3 percent. Such rates will not be affected by the state legislation.

The Maryland plan, which includes a tax break for manufacturers, eventually will cost the state about $500 million annually, or more than 5 percent of the main operating budget. Some legislators and advocacy groups warned that Maryland is embarking on a fiscally dangerous path that could require tax increases, steep spending cuts or other mid-course corrections—such as al-

See MARYLAND, A12, Col. 3



BY LARRY MORRIS—THE WASHINGTON POST

FILE PHOTO/BY FRANK JOHNSTON—THE WASHINGTON POST

LAUNCH TIME ON THE C&O CANAL

Brian Korty, of Potomac, Md., and his 2-year-old son, Alex, watch as the Canal Clipper tour boat is lowered back into the C&O Canal after a 15-month absence, above. Nearly 8,000 volunteers, contractors and Park Service personnel have worked to clean up and restore the park to public use after last year's floods. Today, the Olmsted Island bridges to the Great Falls overlook will be reopened. Flood damage in the park, including extensive damage to the towpath in 1996, at left, is estimated at $55 million. See story, Page C1.

GWU to Sell Hospital to Health Chain

Large For-Profit Firm Will Pay $125 Million

By Amy Goldstein
Washington Post Staff Writer

George Washington University announced yesterday that it has entered into a $125 million agreement to sell its 153-year-old hospital to one of the nation's largest for-profit health care chains.

The agreement with Universal Health Services Inc., reached after an arduous two-year search to find a buyer for the financially struggling hospital, makes George Washington the first such institution in Washington to be taken over by an out-of-town company.

The university had announced a preliminary agreement six months ago with another company. But negotiations with Tenet Healthcare collapsed three weeks ago, prompting George Washington to turn to Universal, a health care management firm based in King of Prussia, Pa., that had bid on the hospital last year. Universal owns 21 hospitals across the country but has no experience with academic medical centers such as George Washington or other hospitals in the nation's largest urban cores.

Allan B. Weingold, GWU's vice president for medical affairs, said yesterday he had become frustrated that he was unable to persuade Tenet to accelerate the pace of final negotiations and that the protracted uncertainty was destabilizing the work force.

News of the agreement with Universal, signed late Wednesday, elated employees of the Foggy Bottom hospital, who jammed an afternoon news conference. Afterward, students and senior physicians alike predicted that the partnership would allow George Washington to undertake long-deferred renovations and expand certain programs, and would stop a recent hemorrhage of doctors and top administrators.

But the deal also intensifies a struggle emerging in metropolitan Washington over the changing face of hospital care, as mergers and takeovers—already common in other major U.S. cities—have begun to occur in the District and its suburbs. The fight comes down to which kinds of hospitals—for-profit or nonprofit—can be most trusted to guarantee all services to all patients in an era of increasing strain on hospital finances.

Yesterday, John Green, executive vice president of Mediantic Healthcare Group, which has worked for months to block the hospital's sale to a for-profit firm, said, "George Wash-

See HOSPITAL, A14, Col. 1

■ *George Washington Hospital deal alters buyer's plans for expansion.* *Page A15*

Day Care Study Offers Reassurance to Working Parents

By Barbara Vobejda
Washington Post Staff Writer

As a group, children in day care learn to think and talk just as well as those cared for by their mothers, a long-term national study has found.

The study, being released today by the National Institute of Child Health and Human Development, did find, however, that the quality of care matters: Children whose care-givers respond and speak frequently to them perform better on thinking and language tests than those in settings where they have less verbal interaction.

It also confirmed an earlier finding by the same group of researchers that day care has far less of an impact on children than their circumstances at home, including economic resources, their mother's psychological health and their own temperaments.

While many of the findings should be reassuring to working parents, the study did indicate that placing a very young child in day care for many hours each week has a small negative impact on the mother-child relationship.

Researchers found that the more hours children six months and younger spent in day care, the more likely their mothers were to show some insensitivity or negative interaction with them.

That could be the result, researchers speculated, of parental stress or weaker bonding that occurs when families try to juggle work and very young children.

The findings, which are being presented at a conference in Washington today, represent the second phase of a massive ongoing study, involving 10 teams of researchers who are following 1,300 families across the country from the birth of their children through age 7.

The study, which is larger and more detailed than any previous research on the subject, is designed to answer a question of intense concern to American families: Is day care harmful to the social and intellectual development of children? That question is critical because half of all women with children younger than age 1 are working and most of these women return to work before their children are six months old.

Many of these children spend a substantial part of their days in the care of someone other than their mothers. At the age of 15 months, 70 percent of the children in day care were there at least 30 hours a week, the research found.

See DAY CARE, A13, Col. 6

Israel Drops Bid to Try Hamas Aide

U.S. to Decide Fate Of Jailed Palestinian

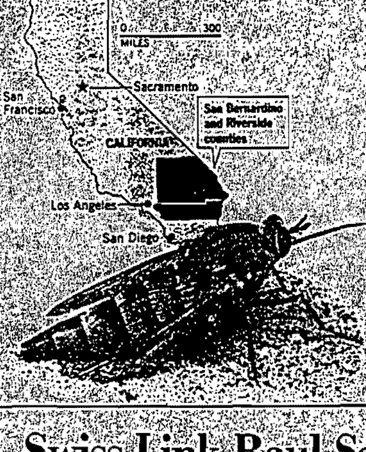
By Barton Gellman
Washington Post Foreign Service

JERUSALEM, April 3—Israel gave up its bid for extradition of a senior Hamas leader from the United States today, citing the same concerns over "security and the prevention of terrorist attacks" that inspired the initial request nearly two years ago.

The Israeli decision to drop a long-standing request for custody of the Hamas figure, Mousa Abu Marzook, left his fate in the hands of the Clinton administration. Expulsion seemed possible—and Marzook predicted he will be sent to Jordan—but Attorney General Janet Reno said in Washington that Marzook will remain in a U.S. jail for the time being and "we are reviewing all our options."

With Israeli-Palestinian talks unraveling and daily clashes suggesting a return to something like the Palestinian uprising of 1987-93, Israel's army and secret service chiefs had warned Prime Minister Binyamin Netanyahu that Abu Marzook's arrival could touch off a major escalation of violence in the deteriorating political climate.

"There is no doubt that Abu Marzook deserves to spend many years in jail until the end of his life," Defense Minister Yitzhak Mordechai told reporters in Washington. "On the other hand we are aware of the dangers and the significance of the project called Abu Marzook."



Developers Wish Rare Fly Would Buzz Off

Flower-Loving Insect Becomes Symbol for Opponents of Endangered Species Act

By William Booth
Washington Post Staff Writer

COLTON, Calif.—Over the millennia, the Santa Ana winds blew clouds of fine sand down from the mountains, where it rained like a gritty mist onto the valley floor, creating one of the rarest of places, the inland dunes of the Delhi Sands.

And it was here they found the fly.

With the last of its once-pristine dunes surrounded by interstates and slated to become an industrial enterprise zone, the fly today shares its shrinking home with a cement quarry, a petroleum tank farm, a sewage plant and a Superfund site known ominously as the Stringfellow Acid Pits.

But the insect is not going without a fight.

Designated by the U.S. Fish and Wildlife Service as an endangered species in 1993 after a petition by a local entomologist, the first and only fly to make the list, the Delhi Sands flower-loving fly is sorely testing the federal commitment to saving near-extinct species.

In this case, the government is protecting a creature that spends most of its life underground, living as a fat, clumsy, enigmatic maggot.

Its stubborn persistence is making it Public Enemy No. 1 for forces in Congress and elsewhere that want to see the powers of the Endangered Species Act diluted. Like the snail darter and the northern spotted owl before it, the flower-loving fly is reopening the political, moral and biological debate about what to do when an endangered—but obscure—species gets in the way of progress, jobs and money.

See FLY, A10, Col. 1

Swiss Link Raul Salinas To Mexican Drug Cash

Probers Seeking Source of $100 Million

By John Ward Anderson
Washington Post Foreign Service

MEXICO CITY, April 3—Swiss prosecutors have concluded after months of investigation that Raul Salinas de Gortari, the brother of Mexico's former president, received huge sums of money in exchange for helping Mexican drug traffickers, a senior Mexican law enforcement official said today.

The official, who has direct knowledge of the allegation but declined to be further identified, said it was made in a document that Swiss federal prosecutor Carla del Ponte filed with Mexico's attorney general about five weeks ago. The document was part of a request by del Ponte to come to Mexico to interview Raul Salinas and other people officials at the attorney general's office.

Proof that drug traffickers infiltrated former president Carlos Salinas's family during his administration would be a blow to the Mexican political establishment and its ruling Institutional Revolutionary Party (PRI), which faces tough midterm elections in three months.

Many political analysts here doubt that Raul Salinas could have been deeply involved in criminal activities without the knowledge of his brother, who has been in self-imposed exile for about two years. The former president, who has not been charged with any wrongdoing and who is not known to be under investigation, denied in an interview with a Mexican newspaper earlier

INSIDE

Bullets

Bullets Upset Bulls

■ The Washington Bullets got their first win in 23 tries against the Michael Jordan-led Chicago Bulls, 110-102, and are in a tie for the last Eastern Conference playoff spot.
SPORTS, *Page D1*

Panda Surgery

■ Hsing-Hsing, the National Zoo's only remaining giant panda, must undergo surgery this month for testicular cancer.
METRO, *Page C1*

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Concern for Hubbell, Family Motivated Aides, Clinton Says

McLarty Subpoenaed by Independent Counsel

By John F. Harris and Susan Schmidt
Washington Post Staff Writers

Two senior White House aides were acting out of compassion when they tried to line up lucrative employment for Webster L. Hubbell after his resignation from the Justice Department, President Clinton said yesterday.

Independent counsel Kenneth W. Starr is investigating whether money paid to Hubbell after he left Justice was intended to buy his silence in the Whitewater investigation.

The White House this week acknowledged that in 1994 two of Clinton's closest aides made calls to business contacts, encouraging them to hire Hubbell, who in March of that year announced his resigna- ners at Little Rock's Rose Law Firm. The aides were Thomas F. "Mack" McLarty, then the White House chief of staff and now a presidential counselor, and Erskine B. Bowles, then head of the Small Business Administration and now Clinton's chief of staff.

McLarty received a subpoena from Starr's office late yesterday in connection with his efforts on Hubbell's behalf.

Clinton, speaking briefly with reporters before a meeting with Prime Minister Antonio Guterres of Portugal, said yesterday he saw nothing improper in what Bowles and McLarty did.

"They were people who were genuinely concerned that there was a man who was out of work, who had four children," Clinton said.

IN THE LOOP

Lifting the Leaf

By Al Kamen
Washington Post Staff Writer

Congressional types were decidedly un-press-friendly when the news media showed up at the splendid Phoenician resort in Scottsdale, Ariz., to check who was attending a golfing junket sponsored by the tobacco lobby.

Events were closed and reporters were kept at bay, even during the pre-golf morning panel sessions. The sponsoring Tobacco Institute refused to say who went.

But the anti-smoking Campaign for Tobacco-Free Kids has checked House records and come up with a list based on members and staff who filed gift disclosure forms for the Feb. 13-16 trip. Most attendees reported receiving from just under $2,000 to slightly more than $3,100 in free rooms, meals and air fare.

Those House folks attending included:

Rep. **Mike McIntyre** (D-N.C.), who estimated he received $2,784 in travel and other expenses for going with his wife to what he listed was as a "speaking engagement at fact-finding trip in connection to official duties as member of Congress."

Rep. **Wayne Edward Whitfield** (R-Ky.) billed a similar amount for what he called a trip "to focus on federal regulatory activities," as did Rep. **Harold Rogers** (R-Ky.) and **Bennie G. Thompson** (D-Miss.), who was there as a "panelist." Thompson aide **Richard Mattox** also went.

Rep. **Ken Calvert** (R-Calif.) and administrative assistant **Ed Slevin** listed around $3,000 for their "briefing of tobacco issues and the 105th Congress." Rep. **Sanford Bishop** (D-Ga.) got $3,200 for his "speaking engagement" here. Rep. **Scotty Baesler** (D-Ky.) attended with his aide, **John Townsend**, and Rep. **Richard Burr** (R-N.C.) took along his press secretary, **Alicia Peterson**. Rep. **John A. Boehner** (R-Ohio) dropped by, and his top aide, **Barry Jackson**, attended. Arizona Reps. **John David Hayworth** (R) and **Ed Pastor** (D) were reported to have attended.

House staffers there included **Roger Morse**, who works for Rep. **Van Hilleary** (R-Tenn.); **Ed Cassidy**, who works for Rep. **Richard N. Hastings** (R-Wash.); **Keith L. Rogers**, who works for Rep. **Ron Lewis** (R-Ky.), and **John Feehery**, who works for Rep. **Tom DeLay** (R-Tex.).

Rep. **Howard Coble** (R-N.C.) was working so hard at those discussions that he brought along his legislative assistant, **Rochelle Holly Goldman**, and his administrative assistant, **Ed McDonald**, for what he called a "tobacco briefing concerning new Food and Drug Administration regulations, as well as discussions with industry leaders."

Wonder if any of those "leaders" were from the traitor Liggett Group Inc. Might have been, after all, the conference was before Liggett broke ranks and confessed the shocking news that the "industry" always knew smoking was highly addictive, that its ads targeted kids to get them to smoke and that smoking caused cancer.

The lawmakers may demand another conference next winter to ponder these new and troublesome issues.

FAA Chair Is Garvey's Destination

■ At the Federal Aviation Administration, **Jane Garvey** is in line to replace longtime FAA chief **David R. Hinson**. Garvey, former head of Massachusetts Department of Public Works, once ran Logan International Airport. **George L. Donahue** is slated to be her deputy. Donahue, an associate administrator for research and acquisitions, is a friend of new Transportation Secretary **Rodney E. Slater** and scored points with **Vice President Gore** by helping develop the FAA's new procurement system.

State May Have Lined Up Policy Planner

■ **Greg Craig**, who came to fame first as the No. 2 defense lawyer for attempted Reagan assassin **John W. Hinckley Jr.**, then was foreign affairs adviser to Sen. **Edward M. Kennedy** (D-Mass.), then went back to private law practice, where he was both active in human rights organizations and worked for the superwealthy and politically controversial Mevs family in Haiti, is said to be the pick to run the policy planning operation at the State Department.

Also on the foreign front, smart money is tending to drift to **George Munoz**, assistant secretary for management and chief financial officer at the Treasury Department to be the next head of the Overseas Private Investment Corp. Administration officials, concerned about OPIC's future in the tight-fisted Congress, wants a legislative pro for the No. 2 slot. They asked White House legislative affairs deputy **Susan Brophy**. Not interested.

Back at home, Health and Human Services officials won't confirm that **Janet Takamura** of Hawaii is the pick for assistant secretary for aging.

Burns Races for Motorcade. Loses.

■ What about Nick? Baseball fanatic and State Department spokesman **Nicholas Burns** was crushed Wednesday when he raced downstairs to discover that Secretary of State **Madeleine K. Albright**'s motorcade left him behind as it took off to the O's opening day game.

"It was the first motorcade I ever missed," a crestfallen Burns said yesterday. He blamed a disabled elevator and a reporter for the debacle.

Downtown Drivers Will Long Remember . . .

■ Secret Service Director **Eljay B. Bowron** is leaving after three years in the job to be president of Ameritech Corp.'s security monitoring business. Bowron, a 23-year career agent, will best be remembered for the decision to close Pennsylvania Avenue in front of the White House in May 1995 following the Oklahoma City bombing.

"It was really just a question of whether it was going to close before we had an explosion or after we had an an explosion," he said at the time. "I'm thankful that it's been done this way."

The Washington Post
Friday, April 4, 1997

PHOTOCOPY
PRESERVATION

When Putting Day Care to the Test, Quality Counts

By Barbara Vobejda
Washington Post Staff Writer

As a group, children in day care learn to think and talk just as well as those cared for by their mothers, a long-term national study has found.

The study, being released today by the National Institute of Child Health and Human Development, did find, however, that the quality of care matters. Children whose care-givers respond and speak frequently to them perform better on thinking and language tests than those in settings where they have less verbal interaction.

It also confirmed an earlier finding by the same group of researchers, that day care has far less of an impact on children than their circumstances at home, including economic resources, their mother's psychological health and their own temperaments.

While many of the findings should be reassuring to working parents, the study did indicate that placing a very young child in day care for many hours each week has a small negative impact on the mother-child relationship.

Researchers found that the more hours children 6 months and younger spent in day care, the more likely their mothers were to show some insensitivity or negative interaction with them.

That could be the result, researchers speculated, of parental stress or weaker bonding that occurs when families try to juggle work and very young children.

The findings, which are being presented at a conference in Washington today, represent the second phase of a massive ongoing study, involving 10 teams of researchers who are following 1,300 families across the country from the birth of their children through age 7.

The study, which is larger and more detailed than any previous research on the subject, is designed to answer a question of intense concern to American families: Is day care harmful to the social and intellectual development of children? That question is critical because half of all women with children younger than age 1 are working and most of these women return to work before their children are six months old.

Many of these children spend a substantial part of their days in the care of someone other than their mothers. At the age of 15 months, 70 percent of the children in day care were there at least 30 hours a week, the research found.

See DAY CARE, A13, Col. 6

DAY CARE, From A1

The new study underscores the conclusion of a growing body of research showing that one of the most important positive influences over a child's early development is a rich and stimulating environment, whether provided by a parent, a day care provider or another family member.

Unlike previous child-care studies, which were limited to certain types of care or parts of the country, the NICHD study began with a pool of nearly 9,000 families, then narrowed the group to a diverse selection by economic status, single-parenthood, education of the mother and numerous other characteristics. The diversity of the families, say researchers, led to a wide range of quality in child-care arrangements, including centers, nannies, fathers, relatives and care in the home of another family.

The first phase of research, released a year ago, concluded that day care, by itself, did not harm children's emotional attachment to their mothers.

The second phase of the research, by contrast, focused more on the behavior of mothers toward their children, as well as the impact of child care on cognitive and language development. In both cases, researchers measured whether the number of hours in care and the quality of care made a difference.

When it came to intellectual skills, it was clear that the number of hours in care did not have an effect, but quality of care did.

"One very important take-home message . . . is that children in child care are not doing any worse than children not in child care" on cognitive and language skills, said Sarah Friedman, coordinator of the study. "For those children in child care, the better the quality of the care, the better the outcome."

Specifically, it was the tendency of care-givers to engage children in conversation, respond when children spoke and interact verbally with them that led to the highest scores on thinking and language tests, the study found.

The study did not attempt to categorize what type of child care—in centers, by relatives, or in another family's home—was most likely to offer the best quality. It also did not directly compare whether children in poor quality care developed as well as children cared for by their mothers. Instead, it compared only children in day care as a group with the group of those in maternal care.

When researchers looked at the second focus of the study—the relationship of mothers to their children—they found that both the quantity and the quality of care had some impact, although it was weaker than the effects found for intellectual development.

The study did find the link between the number of hours children spent in day care when they were very young and less positive interactions with their mothers, which seemed to persist even when the children were 3 years old.

"These aren't big, powerful, overwhelming effects, but you can pick them up at different ages," said Jay Belsky, a psychologist at Pennsylvania State University.

Deborah Lowe Vandell, a professor of educational psychology at the University of Wisconsin, said that extended hours in care early in life "may be a real source of stress for mothers, which gets reflected in their behavior."

At the same time, however, researchers also found that high-quality care, when care-givers and children enjoy frequent, positive interactions, could help the mother-child relationship.

Researchers evaluated these relationships by observing videotapes of mothers playing with their children and by visiting the families' homes and watching how mothers interact with their children while being interviewed.

The Washington Post
FRIDAY, APRIL 4, 1997

PHOTOCOPY
PRESERVATION

Developers Wish Huge Fly Would Buzz Off

Flower-Loving Insect Becomes Symbol for Opponents of Endangered Species Act

A1

By William Booth
Washington Post Staff Writer

COLTON, Calif.—Over the millennia, the Santa Ana winds blew clouds of fine sand down from the mountains, where it rained like a gritty mist onto the valley floor, creating one of the rarest of places, the inland dunes of the Delhi Sands.

And it was here they found the fly.

With the last of its once-pristine dunes surrounded by interstates and slated to become an industrial enterprise zone, the fly today shares its shrinking home with a cement quarry, a petroleum tank farm, a sewage plant and a Superfund site known ominously as the Stringfellow Acid Pits.

But the insect is not going without a fight.

Designated by the U.S. Fish and Wildlife Service as an endangered species in 1993 after a petition by a local entomologist, the first and only fly to make the list, the Delhi Sands flower-loving fly is sorely testing the federal commitment to saving near-extinct species.

In this case, the government is protecting a creature that spends most of its life underground, living as a fat, clumsy, enigmatic maggot.

Its stubborn persistence is making it Public Enemy No. 1 for forces in Congress and elsewhere that want to see the powers of the Endangered Species Act diluted. Like the snail darter and the northern spotted owl before it, the flower-loving fly is reopening the political, moral and biological debate about what to do when an endangered—but obscure—species gets in the way of progress, jobs and money.

See FLY, A10, Col. 1

FLY, From A1

"Those who want to weaken the act have long looked for a situation to pit a species with little popular appeal against some worthy project," said Michael Bean, head of the wildlife program for the Environmental Defense Fund in Washington.

And creatures do not get less cuddly than a fly, even one that as a winged adult is one of the largest flies in North America, a creature able to hover like a hummingbird above the flowers whose nectar it slurps with a long straw for a mouth.

"If you see a live one flying around you don't soon forget it," said Greg Ballmer, an entomologist at the University of California at Riverside who, alone and without university support, petitioned to have the fly listed as endangered. "It's spectacular."

Awe, though, is in the eye of the beholder. "Why should a fly stop civilization?" asked an exasperated Ruben Ayala, a Democratic California state senator who tried to get Vice President Gore to see for himself the havoc the fly has created. Gore demurred on a recent visit here to the Inland Empire. "We ought to get that fly to move someplace else," Ayala said. "I'm for people, not for flies."

But it is not so easy.

The Fish and Wildlife Service appears determined to protect what little habitat the fly has left. Of more than 40 square miles (25,600 acres) of dunes, only about 45 acres now support the fly. Perhaps a total of 300 acres are suitable for its needs. So rare, so threatened is the fly, researchers say they expect it will become extinct shortly, like its sister subspecies, the El Segundo fly, which disappeared under the tarmac of the Los Angles International Airport.

In addition to its loss of habitat over the years, the fly was squashed by off-road vehicles, bulldozed for fill and sprayed for weeds. When local dairies had manure to dump, they dumped it on the fly. There are so few flies left, they can be individually counted in certain areas. Eight here. A hundred there.

And so federal authorities forced San Bernardino County to spend almost $4 million to move the "footprint" of its new hospital here about 250 feet, preserving a few acres of fly lands and creating a "fly corridor" that would allow the insect to move to adjacent dunes.

Today, at the hospital construction site along Interstate 10, a chain-link fence protects a thin strip of land beside the facility's parking lot. To the uninformed, it looks like a vacant lot with "No Trespassing" signs. But beneath the thin dried cryptoflora crust of sand, the flies burrow, and the few indigenous plants, here before the arrival of prehistoric man, struggle for their place in the sun.

How the fly might cross the freeway to another habitat is unknown. Opponents of the fly say federal officials seriously discussed slowing interstate traffic to a crawl during the fly's summer mating season, lest it become a glop on an unsuspecting motorist's windshield. The wildlife service denies that such a suggestion was ever close to official policy.

Construction too has been halted on a subdivision in nearby Fontana, whose officials worry that a portion of $10 million in municipal bonds issued for the project will go unpaid. The fly lives on some of the property.

"This is a significant impact on development," said Fontana special projects director Ray Bragg. "We are not overjoyed."

Potentially most costly of all, the planned Aqua Mansa Enterprise Zone, a massive industrial development that would be built right in the middle of prime fly lands, is stalled and so too are the 20,000 jobs its proponents say, would be created over the next 15 years.

"I consider myself an environmentalist, but this is offensive to me," said Julie Biggs, city attorney for Colton. "This is not some sylvan glen. This is not a lion, tiger or a bear. Or even an owl. This is a fly."

Biggs argues that the fly is hurting not just the big-money developers, but also ordinary working people. "These are jobs," Biggs said. "This is an area that is hurting."

And the fly lands themselves?

"It's a bunch of dirt and weeds," Biggs said. "I can't take a citizen out there without them becoming outraged."

The cities of Fontana and Colton, along with San Bernardino County, have joined with the National Association of Home Builders to sue the federal government to end its protection of the fly. The lawsuits asserts that because the fly is not an object of interstate commerce, but a local entity, the federal government has no standing.

The case was dismissed but is on appeal. The plaintiffs are taking solace in a Supreme Court ruling last month that people harmed under the Endangered Species Act have the legal standing to sue.

The fly's advocates, however, the anti-insect forces are missing the point.

"It's the habitat, stupid," said Rudi Mattoni, an adjunct professor of geology and biology at the University of California at Los Angeles who wrote the flower-loving fly's draft recovery plan.

Delhi Sands is the largest remaining sand dune system in the Los Angeles basin. Its unique environment supports not only the fly but also rare and precious flowers, pocket mice, butterflies and a weird cockroach-like cricket.

"When it's gone, it's gone forever," Mattoni said of the dunes. "But people are so shortsighted. They say this is jobs versus flies. . . . These are scurrilous people."

The fly remained an obscure creature until the mid-1980s, when amateur entomologist and insect illustrator Rick Rogers, a child acting prodigy who appeared on the old Steve Allen television show, began studying the insect.

Soon UC-Riverside researcher Ballmer was out in the field, collecting flies, marking territory and chasing the fly around with his net by the freeway.

The flower-loving fly is a model of adaptive evolution. The adults emerge from the earth in late summer and fly for a few days. The males, powerful fliers, buzz along in zig-zags, much like the common paper wasp, looking for willing females, occasionally stopping to sip some sugar water from flowers, powering up, cruising the dunes only during the hottest hours of the day.

No one really knows what happens next. The flies mate. Ballmer has watched captive females deposit eggs in his lab. "Their rears actually telescope down into the cooler sand," Ballmer said. The inch-long females extend themselves at least three inches, or more, and deposit a clutch of eggs, which hatch in a week.

The larval, or maggot, stage remains a mystery to science. Ballmer and Mattoni are not sure what they eat. Are they carnivores, parasites, herbivores? Before the flies were listed as endangered, Ballmer tried to feed his captives various minced bugs and plants. They starved to death.

The fly's advocates say setting aside a fly preserve would protect not only the endangered insect but also the community in which it lives.

"The stupidity of politicians is so mind-numbing," Mattoni said. "This is a very interesting creature. This is a very important place. It is a national treasure in the middle of a bunch of junkyards, true. But this is bloody great habitat. It's a fly you can love. It's beautiful. Nothing is too wonderful to be true in the world of insects."

Mattoni says to ignore the insect is to "subvert the hand of God." The ultimate hubris, he said. The big mistake.

Pete Sorensen of the Fish and Wildlife Service defends the federal actions on behalf of the fly, arguing that the Endangered Species Act was designed to protect creatures great and small.

"In reality, all they had to do is redesign the parking lot of a hospital," Sorensen said. "It was more a minor tweak than a major change." The service is negotiating with the local governments and developers to set aside fly habitat and allow other projects to continue. But it will take time and continues to rankle many.

"The dinosaurs went extinct," state Sen. Ayala said. "And I don't miss them."

Ballmer displays a few flies at the university entomology museum. There they are, lifeless and labeled, a pin jabbed through their thoraxes. "I hope these aren't the last of the last,"

The Washington Post
Friday, April 4, 1997

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USA TODAY

NO. 1 IN THE USA ... FIRST IN DAILY READERS

WEEKEND EDITION

FRI./SAT./SUN., APRIL 4-6, 1997

By Michael Schwarz, USA TODAY
Andruw Jones: Seeks justice numbers, 8C

NASCAR CHRISTENS TEXAS SPEEDWAY

NEW TRACK SECOND IN SIZE ONLY TO INDY 1,3C

BRAVES HOPE TO SETTLE IN AT HOME

▶ BASEBALL, 1,4,6,8C

DAY CARE DOESN'T DETER BONDING 1,11A

FAMILY, TEMPERAMENT DEVELOPMENTAL KEYS

'FRAGILE' VAN DAMME PUTTING MUSCLE ON LATEST TRAVAILS 1D

By Michael Caulfield, AP
Van Damme: 'Maybe I have a lot to learn.' 1D

NEWSLINE

A QUICK READ ON THE NEWS

WALL STREET: Dow Jones industrial average drops 39.66 points to 6477.35; Nasdaq index climbs 12.76 to 1213.76; 30-year Treasury bond yield falls to 7.06%. 1,3B.
▶ Pros' tips on what to do in this market. Street Talk, 3B.

Hubbell investigation widens

Hubbell — Reuters

House investigators are serving 18 new subpoenas targeting efforts by the White House to find work for Webster Hubbell after he left the Justice Department in 1994.
The investigation aims to find out if Hubbell, a long-time friend of President Clinton, was aided to ensure that he wouldn't cooperate in the Whitewater probe. 1,6,8A.

PHILADELPHIA FLAP: Past convictions may be reopened because tape shows assistant district attorney telling colleagues to lie and exclude blacks from juries. 3A.

JONBENET RAMSEY DEATH: Arrest in murder of 6-year-old Colorado beauty queen unlikely "for a long time," because of nature of evidence, police say. 3A.

SPRING FORWARD: Daylight-saving time begins Sunday at 2 a.m. Turn clocks ahead one hour.

DEBATE: Opening adoption records. In USA TODAY's opinion, "Move to open records is a mistake. There are better ways to ...."
▶ "Human beings should not grow up separated from and without knowledge of their original kin," says Jane Nast, an adoptive parent and president of American Adoption Congress. 12A.

MONEY: Java percolating with popularity. 1B.
▶ Seeking stability in money market mutual funds. 1,5B.
▶ Import automakers have banner first quarter. 3B.
▶ Designer labels back in vogue. 7B.

SPORTS: 2-1 favorite Sharp Cat tries to become the fourth filly to win the Santa Anita Derby and earn a trip to the May 3 Kentucky Derby. 1,13C.
▶ Nicklaus in hunt at The Tradition. PGA. 1,10,13C.

LIFE: ABC to produce movie about Heaven's Gate cult. Arsenio Hall's sitcom getting shelved. 3D.
▶ Singer Joni Mitchell reunited with daughter. 2D.
▶ Touring the jewels of Jordan. Travel. 6D.

COMING MONDAY

Marking millennium
Places to ring in 2000, like Times Square.
Mutual attractions
Monthly stock mutual fund report.
New York City

By John O. Buckley

Inside USA TODAY 4 SECTIONS

Crossword	10D
Editorial/Opinion	12-13A
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Marketplace Today	10-11D
State-by-state	11A
Stocks	9-12B

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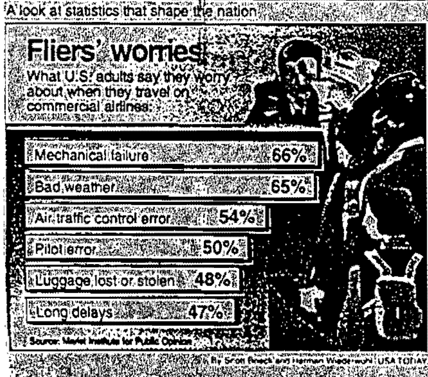
USA SNAPSHOTS®

A look at statistics that shape the nation



By Scott Boeck and Herman Wiederwohl, USA TODAY

Digital TV ordered by 2006

Viewers will need new set or buy a special converter

By David Lieberman
USA TODAY

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With digital signals, a station can offer one channel of high-definition programming or split the signal and provide up to six channels of conventional quality video or data services.

The new programming will be available to owners of digital TV sets, initially expected to cost at least $2,000 for wide-screen models.

The sets will be in stores by Christmas 1998. At least 26 stations in the 10 largest cities, reaching 30% of viewers, volunteered to broadcast digital signals by then.

NBC and Fox affiliates in those markets to offer digital by May 1999. All commercial broadcasters must be on board in five years. Non-commercial stations have until 2003.

When the process ends in 2006, stations will relinquish the spectrum they now use for analog broadcasts. Today's TV sets will need special converters, costing $150-$300, to pick up the signals.

The FCC said it will review its rules every two years. It also put off until next year requirements for broadcasters to serve the public in exchange for the free spectrum. A special commission is looking at those issues, including a proposed requirement for stations to air free political ads.

Broadcasters were elated.

The FCC move enables them "to remain competitive with pay TV services such as cable and satellites that are also converting to digital," says NBC CEO Bob Wright.

But National Cable Television Association President Decker Anstrom said broadcasters got "a public good valued at $11 billion to $70 billion for free, to use with maximum flexibility and phantom public service obligations."

▶ Digital conversion, 2B

Further rate hikes predicted

By Bill Montague
USA TODAY

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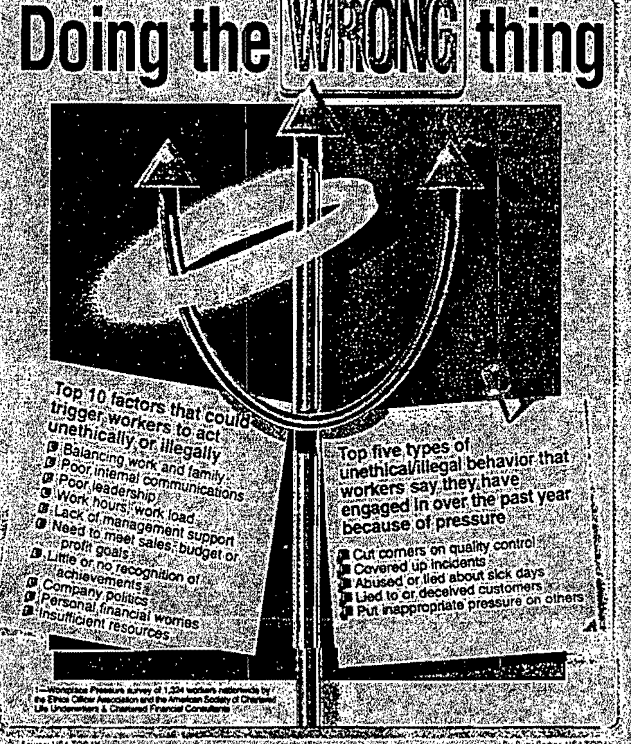
"The economy is doing extraordinarily well, and it's going to take some time for the Fed to have any impact," says Nancy Kimelman, economist for Technical Data.

But with few exceptions, economists still see no sign of accelerating inflation. On average, they expect the consumer price index to rise at a 2.8% annual rate the fourth quarter, down from 2.9% in the first.

▶ Market report, 1,3B
▶ Survey results, 8B



Source: USA TODAY — By Suzy Parker, USA TODAY

48% of workers admit to unethical or illegal acts

COVER STORY

By Del Jones
USA TODAY

Prudential Insurance was a victim of an ethical breakdown, one of many U.S. companies that have learned lately that a breach of standards can be costly.

The insurer may end up paying $1 billion to policyholders who were coaxed into buying more expensive life insurance. Prudential has replaced more than 1,000 agents and managers.

But Prudential's and other recent high-profile cases are not isolated incidents. A major study, to be released Monday and given in advance to USA TODAY, finds that ethical and legal lapses are common at all levels of the American workforce. The study shows that violations are so rampant that if you aren't stealing company property, leaking company secrets or lying to customers and supervisors, odds are the worker next to you is.

Nearly half, 48%, of U.S. workers admit to taking unethical or illegal actions in the past year. Those include one or more from a list of 25 actions, including cheating on an expense account, discriminating against co-workers, paying or accepting kickbacks, secretly forging signatures, trading sex for sales and looking the other way when environmental laws are violated.

The survey of 1,324 randomly selected workers, managers and executives in multiple industries was sponsored by the Ethics Officer Association and the American Society of Chartered Life Underwriters & Chartered Financial Consultants. The 236-page report is especially sobering because workers were asked only to list violations that they attributed to "pressure" due to such things as long hours, sales quotas, job insecurity, balancing work and family and personal debt. It didn't ask about unethical or illegal action for other reasons such as greed, revenge and blind ambition. The survey's margin of error is plus or minus 3 percentage points.

Also sobering is that workers say it's getting

Please see COVER STORY next page ▶

Day care not harmful to growth or bonding

By Marilyn Elias
USA TODAY

Day care before age 3 doesn't hinder children's mental development or weaken their emotional bond with mothers, suggests a landmark federal study out Thursday.

It found that by 3, language and cognitive development and the relationship with the mother are more strongly linked to family qualities and the child's temperament than to whether he's been in care.

The study, the largest to look at how day care affects kids, involved 1,364 children tracked since they were 6 months old.

"These are heartwarming findings," says psychologist Sarah Friedman, the study's scientific coordinator, of the National Institute of Child Health and Human Development.

But quality and quantity of care do matter, Friedman says. Among findings:

▶ Children in higher quality care have better language abilities and more positive mother-child interactions.

▶ The more hours a child spends at day care, the less sensitively mom relates to him by age 3 and the less socially engaged he is with his mother.

These findings "could be early signals that ... might lead to bigger problems later," says early childhood expert Jay Belsky of Penn State.

The value of quality care is sobering, says Barbara Willer of the National Association for the Education of Young Children. Two recent studies found 40% of infant care settings are potentially harmful, either emotionally or physically.

About 3 out of 5 mothers with children under 3 are in the labor force.

▶ Day care Q&A, 11A

18 new subpoenas focus on White House, Hubbell link

By Tom Squitieri
and Judy Keen
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"I do not believe they were improper," Clinton said of those phone calls.

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▶ New York lawyer Susan Thomases, once a confidante of Hillary Clinton. The subpoena asks for papers involving Hubbell's hiring by Lippo Group. The Indonesian firm is the focus of questions about foreign cash funneled into Democratic campaigns.

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Livingstone headed White House security when FBI files on hundreds of prominent Republicans were sent to the White House.

▶ Hubbell profile, 8A

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USA TODAY
FRIDAY, APRIL 4, 1997

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Children's Defense Fund

TELEPHONE: (202) 662-3547 **FAX:** (202) 662-3560

TO: Cynthia Rice

FIRM:

CITY/STATE:

FAX NUMBER: 456.7431

FROM: HELEN BLANK, Director, Child Care Division, Department of Programs and Policy

DATE: 4-3-97 **TIME:** 4:00

NUMBER OF PAGES SENT (INCLUDING COVER SHEET): 3

COMMENTS:

here is the last sheet I talked about. Best, H.

If you have any problems receiving this fax, please contact Detra Stoddard at (202) 662-3544.

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Washington, DC 20001
Telephone 202 628 8787
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Children's Defense Fund

Possible State Initiatives to Address the Child Care and Early Education of Very Young Children

Support a good quality child care and early childhood system for children of all ages, and strengthen or develop components addressing infants and toddlers.

- Create a financing mechanism to support good quality child care for all children, with a focus on the needs of 0-3.
- Explore the feasibility of creating and funding new delivery systems for infant and toddler care. These systems must ensure that providers have the resources to provide infants and toddlers with the attention they need and must support parents.
- Offer a higher child care tax credit for infant care.
- Fund state early Head Start programs for infants and toddlers.
- Ensure that the state's child care subsidy system includes policies that help parents choose good quality infant and toddler care and make it financially feasible for providers to offer infant care (such as enriched rates for providers serving infants and reasonable co-payments for families). Also devise policies to ensure the safety and development of children in informal care settings.
- Provide enriched contracts for child care programs serving infants.
- Ensure that child care licensing standards and monitoring practices promote good quality infant care in areas such as ratios, health practices, caregiver training, and so forth.
- Support outreach to family child care providers serving low-income families to increase their participation in the Child and Adult Care Food Program.
- Create a commission to explore paid parental leave which would help moderate and low-income families be able to use leave.
- Ensure that good child care assistance is available to families receiving TANF, families leaving TANF, and low-income working families.
- Ensure that mothers with children under age one are exempt from meeting TANF work requirements.

Develop approaches that support the quality and supply of providers that serve infants and toddlers.

- Support family child care networks and support systems for family child care providers serving infants and toddlers.

OVER

25 E Street, NW
Washington, DC 20001
Telephone 202 628 8787
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- Fund specialized training for caregivers of infants and toddlers.
- Support training initiatives for informal caregivers.
- Provide support to resource and referral programs to recruit, train, and retain infant care providers.
- Create a funding pool that offers equipment, supplies, etc. for caregivers serving infants and toddlers.
- Establish a scholarship fund for training for infant and toddler caregivers.
- Target home visiting programs on informal caregivers and family child care providers serving infants and toddlers.
- Analyze the supply of affordable and high quality infant care in each county and identify options to address gaps.

Devise other creative ways of meeting the needs of families with very young children.

- Support health screenings and treatment for infants and toddlers in child care settings.
- Promote child care information sharing in health care settings.
- Use state funds to link low-income children in child care settings to comprehensive services.

March 10, 1997
Children's Defense Fund

Eliz Donahue
Helen Blank

- higher rates infant
- " odd hours

Head Start
$324 increase
- H. St. could use to spend 0-3

Discretionary increase not to

DOD best care infants + toddler
- demo on family day care based on DOD
Only place w/ federal standards
- use as model / showcase

? Competition among states for standards

Higher tax credit for infant care

Competition for employers

Study of state infant care policies

Report card for states

Training

Standards / ratios

Rates

what are the gaps

→ use offer child support model

Barbara Bergman AU prof

US v France system - book

Sheila Kamerman

- 0-3 book

Donate vans → give to resource + referral centers for rural or all areas

Like Doctors idea

Donna Cohen Ross (1) Center on Budget

Campaign to ensure kids elig for Medicaid signed up → child care centers

1-800 # Medicaid elig

Idaho uses CCDBG $ to train public health nurses - used training $

Helen Blank has done list
→ what you should ask governors do for 0-3

Grace Reed
Federally run child care centers
140 not required to be licensed (incl Library of Congress)
Could we do by EO

not GSA

Make child care providers elig for Medicaid

Child Care Options

how do they relate to accreditation

- "Stepping Stones" Child Care Quality Guidelines
  More information forthcoming. POTUS issues "Stepping Stones," a set of federal guidelines for child care quality and safety that we provide to States (for their voluntary use) as they determine their own state-specific guidelines. POTUS challenges states to give guidelines full consideration.

- "Adopt a Child Care Center" Campaign
  POTUS announces a grant to provide training to health professionals to work with child care center personnel to enhance child care quality, and challenges pediatricians to "adopt" child care centers in their communities. As a part of its Healthy Child Care Campaign, HHS made a grant to the Academy of Pediatrics to do the campaign's technical assistance and, through newsletters and tracking, to amplify the campaign's messages. HHS is in discussions with the Academy on challenging its pediatricians to "adopt" child care centers.

combine

- Federal Leadership Toward 100% Accreditation
  DoD or USG pledge for full accreditation of all of its child care facilities.

- DoD Child Care Facilities Partner with Community Child Facilities to Improve Quality
  POTUS announces that every accredited DoD child care facility will pair with a local, non-accredited community child care facility to help it achieve accreditation.
  [HHS advises that in appropriations language, Kennedy inserted language for DoD to work with HHS toward improving quality in non-military facilities, but no money was specifically earmarked for this purpose -- need specifics]

- "Child Care Champion" Presidential Awards
  POTUS calls for the establishment of presidential awards to honor family-friendly businesses that have improved the quality, accessibility or affordability of child care for their workers and/or the community in which the businesses are located.

- Presidential Advisory Commission on Child Care
  Announcing his attention to appoint an Advisory Commission on Child Care, the President says that we are taking some steps today (i.e. listed above), but that there are broader issues that we as a society need to address about how to meet the growing need for quality, affordable child care. This Advisory Commission would be tasked to study the present system and help envision our child care system in the 21st Century. The Commission would present a set of recommendations, not just to the President, but also to all sectors of society for how best to meet this growing need.

Nat'l Assoc Educ of Young Children

immunization

4/2

Juan L.

Contraversial issues in reg
HHS doesn't have rate setting anymore
Reg - requiring market based survey
- don't require

Reg push envelope on health + safety
① → require immunization
→ All CCBG must meet health + safety
- one is controlling
→ make sure kids are immunized
- follow state standards
→ ~~AFCH~~ Maternal + Child Health Bureau worked w/ APA and
→ Abbreviated list - relax

Reg is now ⓐ OMB
Not yet cleared

② Child care agency must coordinate w/ public health, TANF, etc.
③ Concept of "equal access"
→ payment adequate
→ parents choice
→ copayments not to high

Deferred

Child under 6 / TANF

→ Agency has to provide consumer info about this provision

→

POTUS –

could say –
We're asking states to double commitment to quality

Define "quality"
Law used to say –
includes those 5

⇒ Is there anything on standards in reg?

Joan

4/2

Standards

Old law CCDBG not IVA

States have to establish standards in 3 areas:

- control infectious disease
- building safety
- training

New law extends to all kids

was applied to 1/4 of programs

Not a lot of teeth in it

NGA still opposes

Now requiring immunization — for all centers they subsidize have immunized kids

~~state centers~~ must ensure immunization

Was out for public comment before 194

GSA — are we fully covered?

applies to all kids that are subsidized no matter where they get care

Joan is concerned that we not draw too much attention to extention of standards

---

GSA

- state + local standards apply
- move toward accreditation

NAEYC

Faith Wohl ~~632-0150~~

632-0186

60% are professionally accredited

have goal of 100%

April Melody
6 5770
- what's up

Child care

April 17th

- Romer public-private effort

ABC Coalition
- companies committed to providing child care to

DOD child care centers as model
as quality leader ~~100%~~ accreditation

~~Link to child c~~

Announce child care reqs
Definition of "adequate child care"

Accreditation - only 10%

What can fed do ↑ accreditation?
↑ # adults at cc centers

① ⇒ Pediatric (Prescription for reading) reads initiative

→ challenge medical profession to adopt child care centers
⇒ Legal implications

Pauline → Jen

– Healthy Child Care grants NC

Q. How different?

② → Pauline will call DOD

Met Lyn ③ → GSA → get materials from Carrie

④ → Dept. Educ drafting legislation
Announce for scholarships for early childhood

Pauline

Mark → Loan forgiveness is not in our budget

⑥ Task Force

Joe ⑤ → standards for child care for welfare bill

3/30

Child care

→ get Doug Besharov's charts

~~New~~
Additional ideas

→ ~~enhanced~~ supplemental tax credit for families who choose licensed or accredited child care (like Arkansas)
(104th Congress - McKinney bill)

→ Scholarship fund for early childhood teachers

→ Increase supply of infant care (Dodd's grant fund)
→ shortage
→ mothers going back to work early (req under new welfare law)

→ Announce ~~out~~ plan to extend hours of pre-kindergarten programs to provide full-day services

Cynthia A. Rice 04/03/97 12:28:43 PM

Record Type: Record

To: See the distribution list at the bottom of this message
cc:
bcc:
Subject: Child care

Child care regulations and standards

The proposed welfare reform child care regulations will do two things regarding standards:

1) Health and safety standards will apply to more federally funded child care. As in current law, all child care supported by federal Child Care and Development Block grant funds will have to meet state-set standards in three areas (controlling infectious diseases, building safety, and training). What's new is that welfare to work child care now must operate under the CCDBG rules, meaning these health and safety standards now apply. The welfare law made the change, and the regulations reflect that change. The National Governor's Association opposes this requirement.

2) The regulations will interpret "controlling infectious diseases" as meaning that states must ensure that children whose care is subsidized with these federal funds have been immunized.

GSA Child Care Centers

Currently, 60% of GSA centers are accredited by the National Association for the Education of Young Children. GSA has a goal of achieving 100% accreditation.

Message Sent To:

Pauline M. Abernathy/OPD/EOP
Nicole R. Rabner/WHO/EOP
Jennifer L. Klein/OPD/EOP
Elena Kagan/OPD/EOP
Mazur_M @ A1 @ CD @ LNGTWY

U.S. Office of Personnel Management

Examples of Programs that Support Early Childhood Development

Work and Family Program Center

The U.S. Office of Personnel Management (OPM) established the Work and Family Program Center to provide leadership and assistance to Federal agencies in developing comprehensive work and family policies and programs. To help Federal employees with responsibilities for children, the Center encourages the use of flexible work schedules, part-time employment/job sharing, on-site child development centers, child care referral services, Employee Assistance Programs, and leave programs (leave sharing, leave banks, leave for medical conditions and family responsibilities). The Center works with the General Services Administration to provide information about Federal child care center programs and telecommuting. Examples of the Centers activities and resources are:

- **Publications**: *The Handbook of Child and Elder Care Resources, The Work and Family Kit*, and *How to do a Fair-A Guide to Successfully Putting on a Child or Elder Care Fair.*

- **Work and Family Clearinghouse**: current work and family research; child care/elder care resource and referral information, and example of successful work and family programs.

- **Seminars and Workshops**: Example: *Child Safety: From Infancy to School Age.*

- **Child Support Enforcement Activities**- The Center and the Department of Health and Human Service's Office of Child Support Enforcement have conducted seminars, distributed child support information kits, and issued publicity to help Federally-employed custodial parents who are having difficulty collecting child support payments and to ensure that Federal employees are meeting their child support responsibilities.

- **Work and Family Speakers Bureau**: The Center maintains an up-to-date list of speakers who, at no cost, address topics such as dependent care resource and referral services, child day care centers, child care financial assistance, selecting quality day care, etc.

Federal Employees Health Benefits Program (FEHB)

The Federal Employees Health Benefits Program (FEHBP) is the largest employer-sponsored health insurance program in the world. Just over four and one-half million people are enrolled and, with the addition of family members, the FEHBP protects nearly ten million people. About 380 health benefits plans are offered, these include nationwide plans as well as health maintenance organization plans available in certain localities. The following FEHB provisions help Federal employees and their families provide preventative health care for their children.

- **Immunizations for Children**. In coordination with the Department of Health and Human Services' "Healthy People 2000" initiative, the Office of Personnel Management requires all FEHB plans to provide coverage for childhood immunizations. These benefits may not be made subject to deductibles or coinsurance/copayments.

- **Well-Child Care.** All FEHB plans are required to offer well-child care benefits, often with no deductibles, coinsurance or copayments. Coverage of routine checkups makes the care affordable and enrollees have incentive to get care to eliminate potential problems.

Family-Friendly Leave Policies for Federal Employees

The Federal govenment has an impressive array of family-friendly leave flexibilities which support employees' family responsibilities and enhance the commitment and productivity of the workforce. They include:

- **Annual Leave**-- to give employees vacation periods for rest and relaxation and to provide time off to attend to family needs.

- **Sick Leave**-- to receive medical, dental, or optical examination or treatment; incapacitation due to physical or mental illness; or to provide care for a family member who is ill.

- **Family and Medical Leave**--The Family and Medical Leave Act entitles covered Federal employees up to a total of 12 administrative workweeks of unpaid leave during any 12-month period for (a) the birth of a son or daughter or care of the newborn; (b) the placement of a son or daughter with the employee for adoption or foster care; (c) the care of a spouse, son, daughter, or parent with a serious health condition; and (d) a serious health condition of the employee that makes him/her unable to perform the duties of their job.

- **Sick Leave for Adoption**-- Federal employees are entitled to use sick leave for purposes related to the adoption of a child.

- **Leave Sharing**-- The voluntary leave transfer program allows a Federal employee to donate annual leave to another Federal employee who has exhausted their leave and who has a medical emergency in his or her family. The leave bank program allows Federal employees to contribute a specified amount of annual leave yearly to their agency leave bank. Leave bank members with medical emergencies can withdraw leave from the bank if they exhaust their own leave.

General Services Administration
Office of Workplace Initiatives
Washington, DC 20405

TO: BRUCE REED
Assistant to the President for Domestic Policy

ELENA KAGAN
Deputy Assistant to the President for Domestic Policy

FM: FAITH WOHL
Director, Office of Workplace Initiatives

Faith Wohl

RE: Early Childhood Development

You asked for a list of the programs or initiatives relating to early childhood development that our agency, at this early stage, would like to highlight. The following are those activities at the General Services Administration that most closely relate to the topic:

1. Oversight of 106 Federal child care centers used by Federal workers and others

   GSA provides program oversight, quality assurance, technical assistance and training for centers in 68 cities, 31 states and the District of Columbia. A study is presently underway to determine whether additional centers (more than 100 others) should also be placed under GSA oversight. More than 7,000 children use GSA centers.

2. Leadership, with the Department of Transportation, of the National Telecommuting Initiative, a working group of the President's Management Council

   GSA is driving a process that should result in 60,000 Federal employees telecommuting by FY 1998 and 160,000 by FY 2002. The overarching goal is to improve and increase the quality time that parents can spend with their children and other family members by reducing commuting time and distance. GSA has opened more than 20 telecommuting centers around the country (11 so far in Washington) with at least another ten due to open in the remainder of FY 97.

3. Followup and Amplification of President Clinton's June 21, 1996 Memorandum on Implementing the Family-Friendly Federal Workplace.

   GSA is helping to staff an effort to intensify the commitment of Federal agencies to create more family-friendly workplaces, with a focus on seven areas of activity,

Federal Recycling Program Printed on Recycled Paper

one of which is improved access to safe, affordable quality child care and another is increased parental involvement in children's lives. An in-depth review has just been completed of agency programs across the Federal sector and followup activities are being developed.

4. The Center for Information Technology Accommodation (CITA)

   This center comprises a small team of well respected experts working to achieve full participation in society by people who, due to disability, are more reliant on and more impacted by emerging information technology. While the center does not presently focus on early childhood applications, it very easily and appropriately could do so.

These programs do not require new funding at their current level of activity. If, however, the mandate of CITA were expanded or the number of child care centers greatly increased, there would be budget impact. We have a study underway on the cost options for the additional child care centers, scheduled to be completed by the end of March.

MEMORANDUM FOR BRUCE REED

FROM: LYN HOGAN AND CYNTHIA RICE

DATE: MARCH 11, 1997

SUBJECT: CHILD CARE: POSSIBLE EVENTS

Federal Government Run Centers

There are 106 GSA-run Federal child care centers and 110 non-GSA Federal child care centers. These centers already can let in children whose parents are not federal employees and many already do. The cost is generally too expensive for low-income families. We don't see much of an event here.

While infant care is currently at capacity, there is availability for older children. However, expanding availability through building new Federally sponsored center is an expensive proposition and not the most cost effective option.

GSA sites are expanding. There are six more GSA-run centers projected for FY 1997 and five for FY 1998. Generally the centers service children from 1.5 months to five years of age. In the summer months, special programs also service older children. At the beginning of FY 1997, 7,117 children were enrolled in the GSA-run centers. In 97 centers, a total of 1,712 families received some form of tuition assistance at some time during FY 1996. The centers reported that about $1,157,200 in assistance was distributed through a variety of non-governmental contributions.

Child Care in Kentucky

A better idea for an event may be a visit to a center in Kentucky which teaches women who need to leave welfare for work to become child care providers. This pilot program offers welfare recipients 30 hours of training in subjects ranging from child development to discipline before beginning internships. The goal is to have these women working in their own homes or in child care centers following the training and internship. Massachusetts and Minnesota are experimenting with programs such as Kentucky's to train welfare recipients as caregivers.

Mary Bond of Louisville, Kentucky successfully used child care as a way off welfare well before Kentucky's program was launched. Six years ago when her two daughters were toddlers, initially cared for three children, the maximum allowed without regulation. Then she became certified and doubled her caseload. Now she estimates her income at $34,000 before expenses.

Nat'l Performance Review
Faith 632-0150

Child Care

The Federal government currently offers agencies two ways to help employees access child care: the authority to contract with private child care service providers to run on-site child care centers and the option to contract with local child care resource and referral agencies that will connect Federal employees to accessible and affordable child care. The Department of Defense also runs its own child care centers and offers child care subsidies to its employees (an option not available to other Federal agencies) as allowed under the Military Child Care Act of 1989.

On Site Child Care Centers

There are 106 GSA-run Federal child care centers and 110 non-GSA Federal child care centers. There are six more GSA-run centers projected for FY 1997 and five for FY 1998. Generally the centers service children from 1.5 months to five years of age. In the summer months, special programs also service older children. At the beginning of FY 1997, 7,117 children were enrolled in the GSA-run centers. In 97 centers, a total of 1,712 families received some form of tuition assistance at some time during FY 1996. The centers reported that about $1,157,200 in assistance was distributed through a variety of non-governmental contributions.

While infant care is currently at capacity, there is availability for older children. However, expanding availability through building new Federally sponsored center is an expensive proposition and not the most cost effective option.

Statistics are not yet available for the non-GSA run programs.

Child Care Resource and Referral

Community-based child care resource and referral (CCR&R) assist families who combine work and family responsibilities in managing life transitions that include entry into the workforce, job changes, family emergencies, and the like. Community-based CCR&R programs collect and update detailed information on the supply of child care, the availability of subsidies, and other valuable community resources for families.

In 1994, nearly 1.5 million families turned to CCR&R services for referrals and consultations about child care. The number of referrals is more than double the number provided in 1992. CCR&Rs are found in every state, in most urban communities, and most rural areas. In 1994 in all but four states CCR&Rs either covered the entire state or planned to cover the entire state.

CCR&Rs maintain detailed information on more than 310,000 child care programs nationwide. The databases for CCR&Rs include regulated family child care providers, school age programs, and child care centers.

CCR&Rs offer more viable child care options for low-income workers than do the Federal child care centers. CCR&Rs can find those eligible subsidized child care that meets a worker's budget while most Federal on-site child care centers don't offer such subsidies.

Withdrawal/Redaction Marker
Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
001. memo	Lyn Hogan and Cynthia Rice to Bruce Reed re: Child Care: Possible Events (partial) (1 page)	03/11/97	P6/b(6), b(6)

This marker identifies the original location of the withdrawn item listed above. For a complete list of items withdrawn from this folder, see the Withdrawal/Redaction Sheet at the front of the folder.

COLLECTION:
Clinton Presidential Records
Domestic Policy Council
Cynthia Rice (Subject Files)
OA/Box Number: 15427

FOLDER TITLE:
Childcare-General [2]

rx29

RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]

P1 National Security Classified Information [(a)(1) of the PRA]
P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
P3 Release would violate a Federal statute [(a)(3) of the PRA]
P4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]
P5 Release would disclose confidential advise between the President and his advisors, or between such advisors [a)(5) of the PRA]
P6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA]

C. Closed in accordance with restrictions contained in donor's deed of gift.
PRM. Personal record misfile defined in accordance with 44 U.S.C. 2201(3).
RR. Document will be reviewed upon request.

Freedom of Information Act - [5 U.S.C. 552(b)]

b(1) National security classified information [(b)(1) of the FOIA]
b(2) Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]
b(3) Release would violate a Federal statute [(b)(3) of the FOIA]
b(4) Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]
b(6) Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]
b(7) Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]
b(8) Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
b(9) Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

Child Care in Kentucky

Kentucky recently began a state-funded child care training program that teaches women who need to leave welfare for work to become child care providers. This pilot program offers welfare recipients 30 hours of training in subjects ranging from child development to discipline before beginning internships. The goal is to have these women working in their own homes or in child care centers following the training and internship. Massachusetts and Minnesota are experimenting with programs such as Kentucky's to train welfare recipients as caregivers.

Mary Bond of Louisville, Kentucky successfully used child care as a way off welfare well before Kentucky's program was launched. Six years ago when her two daughters were toddlers, initially cared for three children, the maximum allowed without regulation. Then she became certified and doubled her caseload. Now she estimates her income at [redacted] before expenses.

P6/B6

GSA
- Tell public avail
- some slots
- accept donations for low-income

RTR - Make people aware that they're there

KY

CLINTON LIBRARY PHOTOCOPY

GSA centers

full capacity infant care

not " toddler care

Too expensive for low income

" " to build new GSA centers

Kentucky idea - POTUS event

→ Lyn will write up the part, I'll add mine

TAX INCENTIVES FOR EXPANSION OF STUDENT LOAN FORGIVENESS

Current Law

Generally, a taxpayer has income when all or part of a loan made to the taxpayer is forgiven. However, an exception is provided in section 108(f) for the forgiveness of certain student loans. If the United States, a State or local government, or a public benefit corporation with control over a state, county, or municipal hospital makes a loan to a student to support the student's attendance at an educational institution and subsequently forgives all or part of the loan, the income resulting from the cancellation of indebtedness is excluded from the student's income, provided the loan forgiveness is contingent on the student's working for a certain period of time in certain professions for any of a broad class of employers.

Reasons for Change

The Administration believes in encouraging Americans to use their education and training in community service. Providing tax relief in connection with the forgiveness of certain student loans will help make it possible for students with valuable professional skills to accept lower-paying jobs that serve the public.

Proposal

The income exclusion for student loan forgiveness would be expanded to cover forgiveness of loans extended by nonprofit tax-exempt charitable or educational institutions to their students or graduates when the proceeds are to be used to repay outstanding student loans, provided the loan forgiveness is contingent on the student's working for a certain period of time in certain professions for any of a broad class of employers. The income exclusion would not be available where a loan is extended and then forgiven by an institution that employs the borrower. The exclusion would also be expanded to cover forgiveness of direct student loans made through the William D. Ford Federal Direct Loan Program where loan repayment and forgiveness are contingent on the borrower's income level.

Mark checking

The proposal would be effective with respect to amounts otherwise includable in income after the date of enactment.

March 31, 1997

NOTE TO ELENA KAGAN

As we discussed, here are three suggestions of announcements that could be made around the April 17 Conference on Early Learning and the Brain.

Improving Child Care Quality:

Creating Public/Private Partnerships to Improve the Health of Children and the Practices of Child Care Providers: The President/First Lady could announce a new public-private partnership with the American Academy of Pediatrics and the National Association of Pediatric Nurse Associates and Practitioners to create the "Adopt-A-Child Care Program, " a program designed to mobilize doctors and nurses to donate their time and expertise to child care programs in their communities. Stressing the importance of ensuring access to health care for all children and encouraging community volunteerism, the President could call on all health professionals to become involved in the program. In addition, the President/First Lady could announce that the federal government will do its part by developing a new Child Care Health Training program in the fall to train health professionals to serve as consultants in child care.

Providing Critical Information to Child Care Providers: The President/First Lady could announce, "Stepping Stones to Caring for Our Children," a new guide produced by HHS which provides key information to state health, child care, license and regulatory agencies on how best to promote the health and safety of children in child care. This new publication also demonstrates an effective public-private partnership since the report was developed with the American Public Health Association and the American Academy of Pediatrics.

Launching a National Task Force on the Future of Child Care Quality: As part of any of these announcements on child care quality, the President/First Lady could reinforce their commitment to improving child care for the 21st century by launching a bipartisan national task force – including child care experts and members of the business community – to develop a blueprint for a child care system that reflects the changing needs of American children and families.

Please let me know if you need additional information on any of these initiatives.

Thank you.

Melissa

Melissa Skolfield

DEPARTMENT OF HEALTH & HUMAN SERVICES

Melissa T. Skolfield

Assistant Secretary for Public Affairs
Phone: (202) 690-7850 Fax: (202) 690-5673

To: Elena Kagan

Fax: 456-2878 Phone:

Date: 4/1/97 Total number of pages sent: 7

Comments:

200 Independence Avenue, S.W., Bldg. HHH, Room 647-D, Washington, D.C. 20201

NIH NEWS ALERT

OPTIONAL FORM 99 (7-90)

FAX TRANSMITTAL

To Laura Vazquez	From Robin
Dept./Agency	Phone #
Fax # 6-0017	Fax #

NSN 7540-01-317-7368 5099-101 GENERAL SERVICES ADMINISTRATION

NATIONAL INSTITUTES OF HEALTH

DRAFT #81

Embargoed until April 3, 1997
6 p.m. E.S.T.

Contact: **Robin Peth-Pierce**
(301) 496-5136

DRAFT #1

NOT CLEARED FOR RELEASE

Results of NICHD Study of Early Child Care
Reported at Society for Research in Child Development Meeting

Does early child care hinder or enhance children's cognitive development or influence mother-child interaction? NICHD-supported scientists conducting a longitudinal study of the effects of early child care on children's development through age seven will present two new sets of findings on these topics at the biennial meeting of the Society for Research in Child Development on April 4, 1997, at 1:30 p.m. at the Sheraton Washington Hotel in Washington, D.C.

The study is clarifying the association between child care and children's cognitive development as well as between child care and the mother- child relationship, two issues that are of deep concern to the over 50 million working mothers and their families in this country. Child care is becoming an ever increasing fact of life as more women stay in the work force after pregnancy and many more women are single parents. In 1980, according to U.S. census data, 38% of mothers, ages 18-44, with infants under one year old worked outside the home. By 1990, this percentage climbed to 50, a rate close to where it stands now. Most of these women return to work in their child's first three to

DRAFT #81

five months.

Evidence is emerging from the study that the combined role of the mother, the family environment, and economic status are of vital importance to children's early development, but across a wide range of child care settings, positive caregiving and language stimulation given in the child care environment are positively related to early cognitive and language development. Researchers also found that both the quality and amount of child care are associated with the mother-child interaction, but again, that a combination of other variables better predicted mother-child interaction.

Researchers found that the quality of child care had a small but statistically significant relationship to children's cognitive and linguistic outcomes across the first three years of life. Though the child care variables studied were significant predictors of children's cognitive development, the combination of family income, maternal vocabulary, home environment, and maternal cognitive stimulation provided stronger prediction of children's cognitive development.

"In this study, we found that the amount of language that is directed at the child in child care is an important component of quality provider-child interaction," said Dr. Sarah Friedman, NICHD coordinator of the study and one of its investigators. "This language input is predictive of children's acquisition of cognitive and language skills, which are the bedrock of school readiness."

Language stimulation was assessed by measuring how often caregivers spoke to children, asked them questions, and responded to their vocalizations. To assess children's cognitive development, researchers used standardized tests, including the Bayley Scales

DRAFT #81

of Infant Development, the Bracken-Scale-of-Basic-Concepts school-readiness subtest, the MacArthur Communicative Development Inventory, and the Reynell Developmental Language Scale.

In the case of the relationship between early child care and cognitive and language development, the small but consistent findings indicate that the higher the quality of child care in the first three years of life, the greater the child's language abilities at 15, 24, and 36 months; the better the child's performance on the Bayley Scales of Infant Development at age two; and the more school readiness the child showed at age three.

Among children in child care for more than 10 hours, those in center care, and to a lesser extent, children in child care homes, performed better on cognitive and language measures when the quality of the caregiver-child interaction was taken into account.

When evaluating the effect of child care on the mother-child interaction, researchers found that the child care variables studied (quantity and quality) could only minimally predict the quality of the mother-child interaction. A combination of other variables, including family environment, maternal education, and family income, were more influential in determining the quality of the mother-child interaction.

Nonetheless, where effects were found, for the entire group of children studied, ranging from children in full-time maternal care to those in the various types of nonmaternal child care, the amount of nonmaternal child care was weakly associated with less sensitive and engaged mother-child interactions across the three years. The more time infants and toddlers spent in non-maternal child-care arrangements, the less sensitive and positively involved were mothers with their infants at 6 months of age, the more

DRAFT #81

negative they were with them at 15 months of age, the less positively affectionate the child was toward the mother at 24 and 36 months of age, and the less sensitive mothers were to their toddlers at their age of 36 months.

Again, while the child care variables studied were only minimally related to the quality of the mother-child interaction, where effects were found, for those children in non-maternal child care, the higher the quality of provider-child interaction in the child care setting, maternal involvement-sensitivity (at 15 and 36 months) was more positive and the greater the child's positive engagement at 36 months.

Mother-child interaction was evaluated by videotaping mother and child together during play and observing mother's behavior toward the child to see how attentive, responsive, positively affectionate and restrictive the mother was when faced with multiple competing tasks (i.e., monitoring child, talking with interviewer).

In sum, what is happening at home and in families appears to be a powerful predictor of both cognitive outcomes and mother-child interaction, for children both in and out of child care. Still, with the family, maternal, and child care characteristics considered, child care variables provided additional, significant prediction of children's cognitive and language outcomes and mother-child interaction.

A major way in which the NICHD Study of Early Child Care contributes to understanding the effects of child care is by moving beyond the global questions about whether child care is good or bad for children. Instead, it focuses on outcomes that might be differentially affected by child care, including cognitive and language development and mother- child interaction patterns.

DRAFT #81

Just as importantly, the NICHD Study of Early Child Care examines effects of child care after taking into consideration other factors that shape children's development and their relations with their mothers, including family economic status, mother's psychological well being and intelligence, child sex and infant temperament. This study design makes it more likely that the effects discerned are truly due to child care, and not a function of other factors.

In 1991, the NICHD Study of Early Child Care enrolled more than 1,300 families and their children from 10 locales throughout the country. The children, who were one month old or less at enrollment, their families, and their child-care arrangements are being followed through the child's seventh year of life. The families are diverse in terms of race, maternal education, family income, family structure (single-parent families are included), maternal employment status, type and quality of child care, and the number of hours that children spend in non-maternal care arrangements. Arrangements included father care, grandparent care, care by a non-relative in the child's home, child care homes, and center-based care.

The child care variables used in the analysis included information about the type of care, the amount of care, and the quality of care. Higher quality care was defined in terms of the interactions of child care providers with the study children. Interactions expected to promote positive affect, better social adjustment and greater cognitive and language skill were considered of higher quality.

Initiated and conducted by NICHD and investigators at 14 universities nationwide, the study was spurred by many questions from parents, developmental

#81

psychologists, and policy makers about the effects of early child care on children's development. Among the investigators' core interests have been how these child-care experiences affect children's cognitive and language development and the way in which parents relate to children who are in child care. These are important study foci because early cognitive and language development predicts future school achievement and performance on intelligence tests and because patterns of mother-child interaction predict future social, emotional, and cognitive development.

Last April, study investigators released data which evaluated the infants up to the 15 month point. They found that child care, in and of itself, neither adversely affects, nor promotes, the security of children's attachment to their mothers at the 15 month age point, provided the children were already receiving relatively sensitive care from their mothers.

For more information about the study, contact NICHD's Public Information and Communications Branch at (301) 496-5133. The NICHD is part of the National Institutes of Health, the biomedical research arm of the Federal government. Since its inception in 1962, the Institute has become a world leader in promoting research on development before and after birth; maternal, child, and family health; reproductive biology and population issues; and medical rehabilitation.

###

Administration for Children & Families

Facsimile from:

CHILD CARE BUREAU
Administration on Children, Youth and Families
HHH Building, Room 320 F
200 Independence Avenue, S.W.
Washington, D.C. 20201
Phone: 202.690.6782
Fax 202.690.5600

Date: 3/11

This transmission consists of this cover page plus 9 *pages.*

To: Cynthia Rice	*From:* Joan Lombardi
Phone: 456-2846	*Phone:* 401-6947
Fax: 456-7028	*Fax:* 202.690.5600

Message:

FYI - not for distribution -

Thanks

DATE: MAR 10 1997

TO: Melanne Verveer
Office of the First Lady

FROM: Joan Lombardi
Associate Commissioner

SUBJECT: CHILD CARE: CHALLENGES AND OPPORTUNITIES

During the past four years, the Clinton Administration has continually recognized the importance of child care in the lives of working families. During the welfare debate, the Administration scored important victories by increasing child care funding and protecting basic health and safety standards. At the same time, we were able to consolidate federal programs and bring renewed attention to the child care issue.

Despite these accomplishments, significant challenges remain if we are to improve and expand child care services for children and families. Working families face incredible obstacles to accessing and paying for quality services. Furthermore, children are too often spending their time in environments that do not promote school readiness and/or school success.

The start of a new term, and the recent attention to early childhood education, provide important opportunities for moving forward with a renewed child care agenda. In response to a request from your office, this memo summarizes our accomplishments, describes key issues facing working families and outlines a range of options that could be considered to advance the child care agenda. **It is important to note that the ideas presented are early thoughts that would need substantial discussion within the Administration before action is taken.**

A. Accomplishments

In the past few years we have had important accomplishments in child care. Our primary focus has been to secure funds for child care as part of welfare reform, to streamline and coordinate child care assistance, to improve the quality of child care services through technical assistance and a healthy child care campaign and to implement the new child care amendments in PRWORA. The following are some of the major accomplishments in the first term:

o **Direct funding for child care assistance has increased by more than one billion dollars in the past four years.** In particular, the administration made important progress in increasing critical resources for child care in the welfare bill. Child Care funding has continued to increase over the past four years. Some $600 million dollars was added to child care assistance this year, the first installment of the $3.5 billion in PRWORA.

These increases, however, must be seen in context. PRWORA will put many more women, particularly women with very young children, into the labor force. States are currently in the process of making key decisions about how they will use the new federal child care dollars. These decisions will affect three important and interrelated areas of need: child care assistance for families transitioning off welfare, child care subsidy for low-income working families who have been receiving such support in the past and low-income working families waiting for child care assistance. This is an area HHS intends to carefully monitor.

o **The Child Care Bureau, a focal point for the child care issue, was established for the first time.** In 1995, Secretary Shalala created the Child Care Bureau, to streamline the operation of federal child care assistance and provide a focal point for child care at the federal level. Coming seventy-five years after the creation of the Women's Bureau, the establishment of the Child Care Bureau has galvanized the issue and provided pivotal leadership at a time of renewed interest in child care. Although child care was found both on the welfare side of HHS and within child welfare services, establishing a separate unit within government, with a mission statement that specifically included child development as well as workforce development for all families, was an historic step forward. In 1996, with the signing of PRWORA, the four federal child care program, which were fragmented and confusing, were consolidated into a single funding stream, the Child Care and Development Fund.

The bureau has had several other important accomplishments including:

- The establishment of a **National Child Care Information Center** which links a range of resources together for policymakers and the general public. More than 50,000 people used the web page last year and thousands more called the hotline.

- Holding a series of **national meetings for state child care administrators** on such topics as infant care, school age care, care for children with disabilities, innovations in consumer education and family centered care.

- The launching of the **Healthy Child Care Campaign** in conjunction with the Maternal and Child Health Bureau which links child care and health services. The blueprint for action is being used in more than 40 states and in many more communities. Technical assistance is provided through a cooperative agreement with The American Academy of Pediatrics.

- **Creating linkages** between child care and other national initiatives including Empowerment Zones, National Service and Head Start. The Child Care Bureau also convenes a Federal Child Care Partners groups on a quarterly basis.

- The establishment of the **Child Care Research Partnership Consortium** which brings together state administrative data with university partners. In addition, the Bureau worked closely with the National Academy of Sciences which held a series of workshops that resulted in two key publications on child care for low income families.

- Helped increase **public awareness** by working with the Womens' Bureau Working Women's Count effort to hold three public events on child care across the country.

o **The child care provisions of welfare reform were implemented.** During the initial months of the second term, the Child Care Bureau has focused on implementation of the Child Care Amendments in the welfare reform legislation. This has included four main activities: making sure states received their new funds in a timely manner, establishing enhanced data collection systems, outlining a research agenda focused on child care for low-income families and designing a more expanded technical assistance system.
The technical assistance effort will include seven coordinated initiatives:

- The expansion of the National Child Care Information System

- The expansion of the Healthy Child Care Campaign

- The establishment of a Public/Private partnership technical assistance effort

- The establishment of a special technical assistance effort to promote inclusion of children with special needs.

- The establishment of a special technical assistance effort for states to improve data collection and systems development

- The continuation of national and regional leadership meetings on emerging child care issues

- The establishment of a National Tribal Child Care Information Center

B. Child Care in the U.S. at the Turn of the Century: Key Issues

Child Care is at a crossroads. Over the next century, the child care system will either flourish and grow, providing supportive environments for children and families, or it will be stretched and pulled, placing children in poor quality environments and increasing the stress on families. There are almost 10 million children under the age of 5 who are in need of child care and 21 million school age children. In order to ensure that families can be both productive workers and good parents, I believe at least three interrelated issues must be addressed in some way: public awareness, quality and affordability.

Public awareness. Although child care has moved from a back page story to front page news, there continues to be a gap between the overall public perception of the issue and the need for services. There is something puzzling about the child care issue. While it is on everyone's mind, there is limited public will to take bold steps to address it. We know that in every corner of the country, parents are "leaning across the fence" and talking about child care, struggling with child care and worrying about child care. Nothing is more poignant than the conversations of parents in August, faced with a few more weeks of vacation, while camps close down and the school house door remains locked for the summer. While child care emerged as a central issue in the "Working Women Count Survey", and is one of the top issues raised at our "At The Table" meetings held across the United States last year, unlike education, child care remains a private issue and has not made it to the top of the public's agenda.

Quality. Research has documented the importance of quality early childhood programs to school readiness. Not only are the first years of life critically important to school success, but more recent research has indicated that quality school age child care programs, particularly for children at-risk of school failure, can have a positive effect on academic achievement.

Despite the link between quality care and a good education, a number of stories have emerged over the past decade that raise serious concern about the quality of care. Child care quality is an issue that cuts across socio-economic lines. From the "National Child Care Staffing" study released in 1989 to the more recent "Cost and Quality Study", we know that concerns about quality have become commonplace. Yet there are limited resources to help build infrastructure, training and other service improvements. Although the administration was successful in maintaining a set aside for quality, only 4 percent of federal child care dollars are currently targeted for quality activities.

Affordability. While the average family pays about 7 percent of its income for child care, we know that child care consumes about a quarter of the income of low-income families who pay for care. At the same time, waiting lists for child care assistance for low-income families continue to grow.

Federal child care assistance includes $2.9 billion in direct subsidies. While we know that this federal assistance alone is not enough to serve every needy family, estimating exact need is difficult and depends on how states define eligibility. For example if we define need by the eligibility criteria in the federal law- families below 85 percent of median income with children ages birth to 13, almost 8 million children from working families would be eligible for federal assistance that now serves an estimated one and a quarter million children. Being more conservative, if we define eligibility as 150 percent of poverty, we estimate that we still would meet only a quarter of the need. Furthermore, although the Dependent Care Tax Credit provides more than $2 billion dollars of tax relief for child care expenses, since it is not refundable, the vast majority of low-income working families do not have access to such assistance.

C. Options for a Child Care Agenda in the Second Term

There are four key themes that could characterize the Administration's efforts in child care for the next four years:

- o Increasing child care support for working families
- o Improving the quality of care to promote healthy child development
- o Reaching out to the private sector
- o Building public awareness

1. **Increasing child care support for working families**

Most of our focus during the first term was on child care as a welfare issue. Although we have always promoted the concept that states should invest their CCDF funds on both welfare families and low-income families at risk for welfare dependency, the future focus could more clearly cast child care as broader working family issue. Initiatives could include:

o **Expansion of the Child Care Tax Credit**- During the 1998 budget process, discussions were held within the Administration regarding the expansion of the Child Care Tax credit. It is estimated that expanding the credit by making it refundable could

reach some 2 million families. Although it was not included in the 98 budget package, such an initiative could be revisited in the 99 budget process. In estimating the need for such tax relief, particular attention should be paid to low-income working families who may not benefit from the direct assistance program.

o **Expansion of the Child Care and Development Fund-** The Administration requested a $144 million increase in child care assistance in the 1998 budget. Of this increase, $100 million is part of the capped entitlement included in the welfare law. $44 million would bring us to our full authorization of discretionary funds. The states' ability to use their full allotments this year will certainly affect our ability to ask for additional funding in the next year. While all states requested the new funding, the lag time caused by welfare planning and state legislative decisions may slow spending in this first year. We are working with states to encourage full utilization of 97 dollars. Requests for increases could be included in the 99 budget.

2. Promoting child development by improving child care quality.

Focusing on quality provides us an opportunity to address an issue of concern to all families. This is particularly important as younger and younger children are in care during the critical first three years of life. Just as Early Head Start has been the "signature initiative" of the Clinton Administration, promoting the link between "care and education" could be the hallmark of the second term activities in child care. The range of activities could include:

o **Promoting an initiative across HHS and DOD to support the quality of child care.** The Department of Defense provides model child care services to the military community. Unlike the civilian community, DOD programs include standards and funding for training and accreditation. Last year, the Senate included language that encourages DOD to work with HHS to improve the quality of care for children in the civilian community. Funds could be set aside in the DOD budget to launch innovations across the states, particularly for infant and toddler care.

o **Expanding and more actively promoting the Healthy Child Care Campaign.** Healthy child care efforts have now been funded in most states. MCH is in the final stages of funding the rest of the states, of launching a new effort to train health professionals to work in child care and issuing a new streamlined set of child care standards that all states and communities should adopt. Any one of these, or the set together, offer new opportunities to provide visibility to the campaign. In addition, the volunteer summit in Philadelphia provides an immediate opportunity for high level officials to call upon every doctor

and nurse in the country to "adopt a child care program". We may be able to interest the American Academy of Pediatrics and the Pediatric Nurses group to join us in such as effort.

o **Expanding Head Start services to eligible children in child care.** The Department, working through the Head Start Bureau in conjunction with the Child Care Bureau, is about to launch a major expansion of Head Start to serve 50,000 more children in a way that meets the needs of working families. By building on models emerging throughout the country, this year the Head Start expansion will promote collaboration with child care programs. This initiative will not only serve more children, but will bring Head Start comprehensive services to children in child care. Visits by administration officials to such programs will help raise visibility, and would be most useful after grants are awarded this fall.

o **Expanding and improving school age care through Department of Education initiatives.** A major part of any school reform agenda should include expansion and improvement of school age care, particularly in low-income communities. The vast majority of the 50,000 formal school age programs in the country are not found in low-income communities. Furthermore, more than 5 million children spend their time after school in self-care, watching hours of television in the afternoon. HHS is holding 10 regional meetings on school age care over the next 6 months, inviting school officials, child care administrators and community based leaders. More than 2000 people will be invited to participate. In addition, The President's budget includes $50 million for After School Learning Centers. The administration could target these funds for programs in low-income communities and make such funding a top priority. In addition, the administration could review other ways to include extended learning or school age care in other Department of Education initiatives, particularly the "facilities initiative", research and America Reads. For example the Child Care Bureau has been working with The Corporation for National Service to ensure that Americorp members are focusing on literacy issues in school age care.

o **Targeting job training funds to the child care workforce.** The most important aspect of quality is the relationship of the child and the family with the provider. New efforts could be made to target job training funds to child care, and to provide increased visibility to child care workforce issues.

3. Promoting Public/Private Partnerships

It is clear that government alone cannot provide all the funding for child care assistance. The administration's efforts could include technical assistance, promoting promising initiatives and supporting new tax incentives.

o **Increasing Technical Assistance.** The Child Care Bureau is launching a new technical assistance effort to promote state initiatives that reach out to the private sector. The RFP should go out by the end of March with the project funded in early fall. Once funded, the administration could make the announcement of this new project a top priority. In addition, new child care regulations may include provisions to encourage private sector dollars as match.

o **Promoting promising initiatives.** High level officials could make visiting and talking about examples of private sector support for child care a priority. This could include a range of events from visits to state legislatures working on this issue to small companies that make a commitment to child care.

o **Increasing tax incentives.** Finally, the administration could support emerging Congressional proposals to provide tax relief for businesses that invest in child care. The Treasury Department, in conjunction with HHS, could review emerging proposals and consider the inclusion of new provisions in the budget.

4. Building Public Awareness of Child Care

The administration could consider strategies that provide parents with opportunities to speak out about child care, establish a strong child care research agenda and put in place an expert committee to recommend bold new steps to create a 21st Century Child Care system. Possible activities to be considered include:

o **Holding town hall meetings with parents.** A series of "town hall or village green" meetings could be planned for parents to talk about their child care issues and how to improve services. Leaders from the community, including the private sector and local government, could be invited to attend and encouraged to launch new initiatives. Stories and recommendations could feed into a report to the President or a National Task Force.

o **Designing a coordinated research agenda.** HHS is in the process of developing a research agenda that will include child care issues in the welfare research projects and will focus "first time" attention on what we are "buying" with the $20 billion investment in subsidies over the next 6 years. Efforts are also underway to integrate child care in ongoing research on child development and to make linkages with large national surveys. The administration could make a request to all federal agencies with relevant research capability to include a focus on child care over the next few years. In addition, since there are no specific funds targeted to child care research at the federal

or state level, a special request should be made for child care research dollars, perhaps even to establish a National Center on Child Care Statistics modeled after the National Center for Education Statistics.

o **Convening a National Task Force on the Future of Child Care** The last major national report on child care was released by the National Academy of Science in 1990- **Who Cares for America's Children? Child Care Policy for the 1990s**. Many of the recommendations in this report are yet to be addressed. Just as we did for Head Start in 1994, we must develop a bipartisan blueprint for a 21st century child care system that provides recommendations for federal, state and local government, the private sector and communities and parents. The administration could convene a group of child care experts from across the country to consider these and other proposals to move child care beyond the crossroads.

Bill 6 of 100

References to this bill in the Congressional Record	Digest and Status Information About this Bill.	Download this bill. (3,235 bytes).

Middle Class Child Care Affordability Act of 1996 (Introduced in the House)

HR 3332 IH

104th CONGRESS

2d Session

H. R. 3332

To amend the Internal Revenue Code of 1986 to increase the child care credit and eliminate the exclusion of certain income of and the special dividends received deduction with respect to foreign sales corporations.

IN THE HOUSE OF REPRESENTATIVES

April 25, 1996

Ms. **MCKINNEY** introduced the following bill; which was referred to the Committee on Ways and Means

---

A BILL

To amend the Internal Revenue Code of 1986 to increase the child care credit and eliminate the exclusion of certain income of and the special dividends received deduction with respect to foreign sales corporations.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the `Middle Class Child Care Affordability Act of 1996'.

SEC. 2. INCREASE OF CERTAIN LIMITATIONS APPLICABLE TO CHILD CARE CREDIT.

(a) INCREASE OF AMOUNT OF EMPLOYMENT-RELATED EXPENSES TAKEN INTO ACCOUNT- Subsection (c) of section 21 of the Internal Revenue Code of 1986 (relating to expenses for household and dependent care services necessary for gainful employment) is amended--

(1) in paragraph (1), by striking `$2,400' and inserting `$3,600', and

(2) in paragraph (2), by striking `$4,800' and inserting `$5,400'.

(b) INCREASE OF AMOUNT AT WHICH PHASE-DOWN OF PERCENTAGE BEGINS- Paragraph (2) of section 21(a) of such Code is amended by striking `$10,000' and inserting `$20,000'.

(c) EFFECTIVE DATE- The amendments made by this section shall apply to taxable years beginning after December 31, 1995.

SEC. 3. OFFSET PROVISIONS REGARDING FOREIGN SALES CORPORATIONS.

(a) ELIMINATION OF EXCLUSION- Section 921 of the Internal Revenue Code of 1986 (relating to exempt foreign trade income excluded from gross income) is amended by adding at the end the following new subsection:

`(e) TERMINATION- This section shall not apply to any taxable year beginning after December 31, 1995.'

(b) ELIMINATION OF SPECIAL DIVIDENDS RECEIVED DEDUCTION- Section 245 of such Code (relating to dividends received from certain foreign corporations) is amended by striking subsection (c).

(c) EFFECTIVE DATES-

(1) EXCLUSION- The amendment made by subsection (a) shall apply to taxable years beginning after December 31, 1995.

(2) DIVIDENDS RECEIVED DEDUCTION- The amendment made by subsection (b) shall apply to dividends distributed out of earnings and profits attributable to taxable years beginning after December 31, 1995.

March 31, 1997

NOTE TO ELENA KAGAN

As we discussed, here are three suggestions of announcements that could be made around the April 17 Conference on Early Learning and the Brain.

Improving Child Care Quality:

Creating Public/Private Partnerships to Improve the Health of Children and the Practices of Child Care Providers: The President/First Lady could announce a new public-private partnership with the American Academy of Pediatrics and the National Association of Pediatric Nurse Associates and Practitioners to create the "Adopt-A-Child Care Program, " a program designed to mobilize doctors and nurses to donate their time and expertise to child care programs in their communities. Stressing the importance of ensuring access to health care for all children and encouraging community volunteerism, the President could call on all health professionals to become involved in the program. In addition, the President/First Lady could announce that the federal government will do its part by developing a new Child Care Health Training program in the fall to train health professionals to serve as consultants in child care.

Providing Critical Information to Child Care Providers: The President/First Lady could announce, "Stepping Stones to Caring for Our Children," a new guide produced by HHS which provides key information to state health, child care, license and regulatory agencies on how best to promote the health and safety of children in child care. This new publication also demonstrates an effective public-private partnership since the report was developed with the American Public Health Association and the American Academy of Pediatrics.

Launching a National Task Force on the Future of Child Care Quality: As part of any of these announcements on child care quality, the President/First Lady could reinforce their commitment to improving child care for the 21st century by launching a bipartisan national task force – including child care experts and members of the business community – to develop a blueprint for a child care system that reflects the changing needs of American children and families.

Please let me know if you need additional information on any of these initiatives.

Thank you.

Melissa

Melissa Skolfield

1997 Edition

Key Facts About Child Care and Early Education:

A Briefing Book

Gina C. Adams
Nicole Oxendine Poersch

Children's Defense Fund

Table 1. Percent of Mothers in the Labor Force, and Percent of Children with Mothers in the Labor Force, by State in 1990

State	Percent of Mothers: With Children Younger than 6, Who Are in the Labor Force	Percent of Mothers: With Children 6 to 17, Who Are in the Labor Force	Percent of Children: Younger Than 6, with All Parents in the Labor Force	Percent of Children: Ages 6 to 17, with All Parents in the Labor Force
Alabama	61.8	73.0	58.7	67.4
Alaska	58.3	77.1	54.6	67.7
Arizona	58.3	73.9	54.9	65.3
Arkansas	63.3	75.1	59.6	68.6
California	55.6	72.1	53.1	63.4
Colorado	63.2	78.9	60.0	72.0
Connecticut	59.3	78.7	56.2	71.1
Delaware	65.7	81.1	62.7	74.4
District of Columbia	66.6	79.4	63.3	72.2
Florida	63.2	77.0	60.2	70.8
Georgia	63.9	77.0	60.4	70.8
Hawaii	63.4	81.6	60.1	73.6
Idaho	60.0	77.2	56.0	68.0
Illinois	58.8	75.5	55.7	68.2
Indiana	63.6	77.4	60.7	71.4
Iowa	69.8	81.8	67.0	76.6
Kansas	64.5	79.4	61.1	73.1
Kentucky	57.2	68.2	53.6	61.5
Louisiana	56.5	67.0	52.6	59.9
Maine	62.6	78.4	59.7	71.4
Maryland	66.2	80.6	63.2	74.1
Massachusetts	59.5	77.7	56.2	69.7
Michigan	57.1	73.3	54.1	66.2
Minnesota	69.3	81.7	65.7	75.3
Mississippi	63.8	73.0	60.0	67.6
Missouri	64.5	77.3	61.1	70.6
Montana	62.3	77.3	58.4	70.0
Nebraska	71.1	82.6	67.6	76.6
Nevada	63.2	79.6	60.7	72.4
New Hampshire	66.9	83.0	63.8	76.5

Table 1. Page 2

State	Percent of Mothers: With Children Younger than 6, Who Are in the Labor Force	Percent of Mothers: With Children 6 to 17, Who Are in the Labor Force	Percent of Children: Younger Than 6, with All Parents iu the Labor Force	Percent of Children: Ages 6 to 17, with All Parents in the Labor Force
New Jersey	55.9	75.2	53.1	68.0
New Mexico	55.9	70.8	53.6	62.6
New York	52.5	71.9	49.8	63.1
North Carolina	66.8	80.3	63.6	74.8
North Dakota	69.1	79.4	65.5	73.6
Ohio	57.7	72.9	54.6	65.7
Oklahoma	59.0	74.4	55.6	67.5
Oregon	59.1	76.9	56.2	69.5
Pennsylvania	56.4	73.3	53.3	65.6
Rhode Island	59.2	78.8	55.5	70.9
South Carolina	66.5	78.0	63.7	72.6
South Dakota	71.3	81.8	66.7	75.8
Tennessee	62.9	74.5	59.4	68.7
Texas	58.2	72.1	54.9	64.3
Utah	57.0	76.2	52.9	64.7
Vermont	66.0	82.2	63.1	76.0
Virginia	63.7	77.9	60.7	71.9
Washington	57.0	76.1	54.0	67.9
West Virginia	48.4	59.8	45.7	53.8
Wisconsin	66.8	81.1	63.4	74.5
Wyoming	60.7	77.2	58.0	70.7
United States	59.7	75.0	56.6	67.7

Source: U.S. Department of Commerce, Bureau of the Census, 1990 Census of Population and Housing, STF4. Calculations by Children's Defense Fund.

Bruce N. Reed
03/26/97 09:45:13 AM

Record Type: Record

To: Cynthia A. Rice/OPD/EOP

cc: Elena Kagan/OPD/EOP, Pauline M. Abernathy/OPD/EOP, Lyn A. Hogan/OPD/EOP
Subject: Re: Update on Ideas

Thanks -- those all look promising, if we could find the money. You should work with Mark Mazur to flesh them out and see if there's any combo Treasury could live with, either as a fallback in our budget talks or as a trial balloon at the Brain Conference.

During the preparations for this year's budget, the President wanted to do more on child care but didn't have the $. At the time, he said we should have some child care options available as a fallback if Congress rejects some of our other proposed investments.

Pauline to call
John Kaplan → NEC
before Mark

BOX 1.
COST OF MEETING THE WORK REQUIREMENTS

The welfare reform legislation requires that a large and increasing percentage of welfare recipients participate in work or training programs. The Congressional Budget Office (CBO) estimates that the cost of a work program that meets those requirements could involve as many as 1.7 million participants by 2002 and could cost as much as $21.2 billion over the 1997-2002 period (see the accompanying table). The estimate assumes that states maintain a level of quality in their work programs similar to the level that exists today, and that states do not attempt to avoid meeting the work requirements by transferring a large share of their current caseload in the Aid to Families with Dependent Children (AFDC) program to state-funded general assistance programs. Because the costs of meeting the work requirements are high, CBO's federal cost estimate assumes that states are more likely to accept penalties than to meet the requirements.

The Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (Public Law 104-193) does not specifically earmark any funding for work programs. Instead, the costs of work programs are one of the allowed expenditures under the Temporary Assistance for Needy Families (TANF) block grant. The block grant is set at $16.4 billion a year—a level similar to recent federal spending on the AFDC, Job Opportunities and Basic Skills Training (JOBS), and emergency assistance programs. In 1994, federal and state spending on JOBS amounted to $1.4 billion. If states continued to spend that amount on work programs, they would be underfunded by $13.1 billion over the 1997-2002 period. States could spend a larger share of the block grant on work programs, however, if they reduced other services.

The act prohibits a state from cutting off assistance for refusal to work if an individual is the single parent of a child under age 6 and if suitable and affordable child care is not available. As a result, a state must assist TANF recipients in obtaining child care if it is to meet the law's work requirements. The law provides $13.9 billion in federal funds for that purpose; together with the states' matching share, $24.0 billion would be available for child care over the 1997-2002 period. In comparison, CBO estimates that if states met the work requirements, the cost of providing work-related child care would total only $18.9 billion over the same period. However, if states provided child care to participants in work programs and maintained spending on the Transitional and At-Risk Child Care programs, which the new law repeals, they would have to spend a cumulative total of $25.4 billion.[1] CBO's estimate assumes that in order to meet the work requirements of the law, states would have to pay all the costs of caring for children under age 6 and most of the costs for older children.

1. The Transitional Child Care program guaranteed child care for up to 12 months for families

ESTIMATED COST OF THE WORK PROGRAM AND RELATED CHILD CARE
(By fiscal year, in millions of dollars)

	1997	1998	1999	2000	2001	2002	Total 1997-2002
Work Program							
Estimated Cost of the Work Program	1,730	2,200	2,980	3,985	4,740	5,595	21,230
Spending for the JOBS Program in 1994	1,360	1,360	1,360	1,360	1,360	1,360	8,160
Shortfall	-370	-840	-1,620	-2,625	-3,380	-4,235	-13,070
Work-Related Child Care							
Estimated Cost of Child Care if States Meet the Work Requirements	1,510	1,990	2,690	3,550	4,230	4,970	18,940
Funding for Child Care Under P.L. 104-193	3,410	3,580	3,750	4,090	4,430	4,690	23,950
Excess or Shortfall (-)	1,900	1,590	1,060	540	200	-280	5,010
Work-Related, At-Risk, and Transitional Child Care							
Estimated Cost of Child Care if States Meet the Work Requirements	1,510	1,990	2,690	3,550	4,230	4,970	18,940
Spending for At-Risk and Transitional Child Care Under Prior Law	980	1,030	1,060	1,090	1,110	1,140	6,410
Total	2,490	3,020	3,750	4,640	5,340	6,110	25,350
Funding for Child Care Under P.L. 104-193	3,410	3,580	3,750	4,090	4,430	4,690	23,950
Excess or Shortfall (-)	920	560	0	-550	-910	-1,420	-1,400

SOURCE: Congressional Budget Office.

NOTE: Amounts include both federal and state shares.

Bruce N. Reed
03/12/97 04:40:48 PM

Record Type: Record

To: Cynthia A. Rice/OPD/EOP, Lyn A. Hogan/OPD/EOP, Elena Kagan/OPD/EOP

cc:
Subject: Child Care

Olivia Golden sent over a list of child care ideas. One looked promising: she referred to emerging congressional proposals to provide tax relief for businesses that invest in child care. What is this?

Can you also find out what a significant expansion of child care might cost, either thru refundability of the DCTC or some other means?

Joan L -

Child Care Tax Credit proposal was dropped at last minute

Was costed by Treasury

interaction w/ EITC

Gene Sperling
Larry Summers > concerns that would make it harder to defend EITC against attacks

and how does it fit w/ subsidy

Thinks it was $3.5 bi

→ refundability was Admin focus

Joint tax may have costed other variations

HHS

RFP

putting out $ for technical assistance to states around promoting public-private partnerships

Colorado - Lowe best

Speaking @ APWA

→ late summer $ awarded

~~Grace~~

Dem colleagues set out — not introduced yet
Roberts (KS)
Craig

Daschle S.19 -

$1.4bi to cover shortfall / Doug getting rescored
increase auth for CDBG to $2bi
Create set-aside ($500mi) for supply
GAO study
- infant care
- after school } shortfall

Doug St. (doesn't know)

Kimberley Barros O'Connor - out til Thurs

l.m. Michelle P.

l.m. Joan Huffer

Cynthia,

Let's discuss

- Diana

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THE PRESIDENT HAS SEEN
1-6-97

THE WHITE HOUSE

WASHINGTON

January 5, 1997

File:
1) Event ideas
2) P has seen

MEMORANDUM FOR THE PRESIDENT

FROM: PHIL CAPLAN
HELEN HOWELL

cc: Elena
Diana -
pls. look into this

SUBJECT: Recent Information Items

We are forwarding the following recent information items:

(A) **Rob Fersh memo on after-school care initiative.** Via Leon who says it is a great idea and possible proposal for your State of the Union. . Fersh suggests that the issue could take off with some strategic small investments, "an appropriate 'bully pulpit' sharing of model programs," rather than a large new federal program. He stresses the increased need for extended day care for children, especially given the strict work requirements of welfare reform. This care could be part of your "welfare to work" initiatives and would dovetail well with your literacy initiative. Fersh cites as an example, LA's BEST, a year-round, after-school program for 4500 inner city elementary school children. The program has resulted in reduced crime and enhanced school performance. *We have sent Fersh's memo to Bruce Reed.*

(B) **Ickes Inaugural memos. 1)** The ***planning and budget*** basically are on track: estimated revenues of $25.6 million for Gala, parade and 14 balls; total estimated revenues of $30.4 million and total estimated expenses $35.7 million. As of January 2: 6,620 of the 10,839 Gala tickets sold; 9,700 of the 36,600 Parade tickets sold; approximately 30,000 of the 67,000 ball tickets sold. McAuliffe is confident ticket sales will meet projections. Gary Smith reports Gala is in better shape now at this point than four years ago. Debbie Willhite reports the parade and the mall events are in good shape with the exception of the "talkers" tent. 2) The ***Inaugural and Martin Luther King's birthday*** are on January 20 this year. The Inaugural will pay tribute to Dr. King by staging a musical on Sunday, January 19 in one of the two tents on the Mall about Dr. King. The musical is by Maya Angelou, et al., and opened in London several years ago. According to Ann Jordan, Mrs. King is delighted. **3)** The ***PIC web site*** is WWW.INAUGURAL97.COM.

(C) **McCaffrey memo on response to Administration's position on Arizona and California drug initiatives.** There has been wide print and TV coverage, mostly focused on the impact on doctors who recommend or prescribe marijuana or other Schedule I drugs. Both the AMA and the California Medical Association support your call for research on marijuana's medical effectiveness. The General thinks that "it['s] essential that we remain prepared to reschedule marijuana as a Schedule II drug if the medical evidence supports a conclusion that the drug does have effective therapeutic uses."

To the President — Great idea! a possible proposal for State of the Union

THE PRESIDENT HAS SEEN
1-6-97

F·R·A·C

FOOD RESEARCH & ACTION CENTER

MEMORANDUM

DATE: December 17, 1996

TO: Leon E. Panetta, White House Chief of Staff

FROM: Rob Fersh Rob Regards & Best wishes for the holidays!

RE: After School Care Initiative

'96 DEC 31 PM4:14

I appreciated the call the other night and wish you all the best. Here are a few thoughts, per your request, on after school care.

Carla Sanger is a former teacher who runs a year-round, after school hours program for 4500 inner city Los Angeles elementary school children. This past May, at our national conference, she described after school care as an idea whose time has come. She compared it to the movement that swept the country over a century ago to implement kindergarten programs.

For a whole variety of reasons, it makes sense to elevate after school care, or the somewhat broader concept of "school aged child care." I sense this issue could take off with some strategic small investments, rather than some large new federal program. With an appropriate "bully pulpit", sharing of model programs, and enrollment of key public and private partners, there could be tremendous movement on this issue.

Here's why it makes sense and fits with the President's priorities:

1. There is increased need for extended day care for children, especially given welfare reform and strict work requirements.

2. Providing this care also should be integral to the President's efforts on "welfare to work" initiatives. It is not only a matter of having the private sector find jobs. These programs can prepare youngsters for the world of work. Many of them are not job ready.

3. After school care would dovetail wonderfully with the President's initiative on literacy. It is an ideal time for mentors and volunteers to work with children.

4. After school programming works. Carla Sanger's program, LA's BEST, has been evaluated over and over again with findings ranging from reduced crime to enhanced school performance. Research on other programs had similar findings.

5. After school programming can be key to reducing teen-age pregnancy, in addition to providing a safe haven for children and deterring crime and gang involvement

6. There are a variety of public and private partners and models that can be encouraged. The Urban League, the Boys and Girls Clubs, the Y's, 4-H Clubs--as well as school systems, recreation departments, housing authorities, and a variety of community based organizations view this as a priority.

The bottom line is that this makes sense--whether its for safety, mentoring, literacy, work preparation, child care, or compensating for what some families cannot provide on their own. The likely result is much deeper community involvement with these children, at the same time that

1875 Connecticut Ave., NW
Suite 540
Washington, DC 20009
TEL: (202) 986-2200
FAX: (202) 986-2525
e-mail: hn0050@handsnet.org

parents can be given some help or even included in parenting programs as well. I can see a wide variety of people endorsing this--ranging from police, to education, to community development, to child care, to business, to literacy, to mentoring, to nutrition, to pro-private charity groups.

I cannot tell you all the public policy elements/proposals that should be included. We have gotten involved because there is widespread agreement that feeding children is critical to the success of these programs. Food not only draws them in, but it contributes to better performance and attentiveness.

In the food area, there are some relatively low-cost proposals worth doing. The primary program utilized to feed children outside school hours is the Child and Adult Care Food Program (CACFP). Here are some needed changes:

- The Reagan cuts of 1981 limited CACFP to children 12 and under. The age limit should be raised, preferably to 18.

- For schools that want to operate after school or summer programming, they must apply separately and keep different books from those kept for School Lunch and Breakfast. We should allow them to coordinate the paperwork.

- There are some unnecessarily strict licensing requirements that programs must meet to qualify as "a child care center" in order to get food reimbursements.

In addition to these changes, I would suggest an federal inter-agency task force be created to coordinate the work of all federal agencies with an interest--presumably USDA, HHS, Education, Labor, HUD, Justice, and perhaps others. A review should be made of existing education, child care, community development and other funding streams to see if promotion of after school programs can occur through them. Additional earmarked (possibly pilot project or model program) money should be considered. *

In addition, all the public and private players on this issue should be convened so that successful models can be identified and effective grassroots strategies can be promoted. This clearly is an initiative that each community should tailor to its own needs. Often, though, people who should be talking with each other do not know of their mutual interests. Heightened Presidential interest, and at least a sprinkling of money, has a way of galvanizing communities.

I hope you find this of interest. I think an initial, small gathering of some key backers of this concept--such as Hugh Price, Marian Edelman, the CEO of Boys and Girls Clubs, one or more education leaders, myself and a few others (including a grassroots operator) could really move this initiative forward quickly. Also included might be a corporation that already supports this concept philanthropically -- perhaps IBM, a leader in education, or Monsanto, already deeply involved in the President's welfare to work initiative and a primary funder of the Urban League after school initiative.

cc Breed
Turing
worth contacting

cc: Rice, Hogan
- shd we do anything w/ this idea?
BR

THE WHITE HOUSE

WASHINGTON

March 5, 1997

Henry W. Foster, Jr., M.D.
Senior Advisor to the President
Teen Pregnancy Reduction and Youth Issues
Room 717H
Hubert H. Humphrey Building
200 Independence Avenue, S.W.
Washington, D.C. 20201

Dear Hank:

Thank you so much for your kind words. I'm sorry that I haven't been able to respond sooner, but as you know, I am deeply grateful for all of your support.

Thanks also for the copy of the annual report you prepared for me outlining your accomplishments as my Senior Advisor on Teen Pregnancy Prevention. I applaud your unflagging work in leading this important effort, and I know our nation's young people are grateful, as am I.

I also appreciate your comments regarding health care, welfare reform, and schools for pregnant adolescents. Here are some of my thoughts on your proposals.

Universal access to perinatal services is an important goal. As I begin my second term, I plan to build step-by-step on the health care successes of my first four years by expanding health care coverage and services for working families and children. I am proud that my fiscal 1998 budget fully funds the Supplemental Nutrition Program for Women, Infants, and Children to meet my goal of serving 7.5 million by the end of the fiscal year. I am also proud that my budget includes proposals to help provide health care coverage to up to five million children currently without health insurance.

I also agree with you regarding the relationship between welfare reform and the need for quality child care. Without making quality child care available to the poor who need it, our welfare reform effort will suffer, and, more important, so will children. I am working hard to ensure that families who need child care have access to quality care for children of all ages, including infants. This

way we can ensure that all of our nation's children have the same opportunities for growth and success. As you know, this spring the First Lady and I will be hosting a White House Conference on Early Learning and the Brain to explore the implications of recent research on brain development for parents, practitioners, and policy makers.

Your idea for dedicated schools for teen parents is interesting. The logic for separating adolescents who are not pregnant from those who are is the very logic I used when I decided to support Second Chance Homes for teen mothers who receive welfare. I believe, as you do, that expecting teens would thrive in a specialized school setting that addresses the responsibilities of parenthood.

As always, I wish you and your family much happiness and good health. And I look forward to playing that golf game with you soon.

Sincerely,

Bill Clinton

THE WHITE HOUSE

WASHINGTON

March 5, 1997

Henry W. Foster, Jr., M.D.
Senior Advisor to the President
Teen Pregnancy Reduction and Youth Issues
Room 717H
Hubert H. Humphrey Building
200 Independence Avenue, S.W.
Washington, D.C. 20201

Dear Hank:

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4 1997

edits in red ~~mfx~~
per Lyn Hogan, DPC
1.30.97

THE WHITE HOUSE

WASHINGTON

January 30, 1997

Henry W. Foster, Jr., M.D.
Senior Advisor to the President
Teen Pregnancy Reduction and Youth Issues
Room 717H
Hubert H. Humphrey Building
200 Independence Avenue, S.W.
Washington, D.C. 20201

Dear Hank:

Thank you so much for your recent letter and your kind congratulations on my election victory. I could never have done it without the support and commitment of close friends like you.

Thanks, also, for the copy of the annual report you prepared for me outlining your accomplishments as my Senior Advisor on Teen Pregnancy Prevention. ~~From the looks of it, you certainly had a busy year~~. I applaud your unflagging work in leading this important effort, and I know our nation's young people are grateful, as am I.

I also appreciate your comments regarding health care, welfare reform, and schools for pregnant adolescents. Here are some of my thoughts on your proposals.

Universal access to perinatal services is an important policy goal. As I begin my second term, I plan to build on the health care successes of my first four years by expanding health care coverage for working families and children. ~~This expansion, of course, should include perinatal care.~~ I believe we can ensure high quality in our rapidly changing health care system while also balancing the budget.

keep in view

I also agree with you regarding the relationship between welfare reform and the need for quality child care. Without making quality child care available to the poor who need it, the welfare reform effort will suffer, and, more important, so will children. I am working hard to ensure that families who need child care have access to quality care for children of all ages, including infants. This is the only way we can ensure that all of our nation's children have the same opportunities for growth and success.

Be more critical for something President not "to be advised"

Your idea for dedicated schools for teen parents is interesting. The logic for separating adolescents who are not pregnant from those who are is the very logic I used when I decided to support Second Chance Homes for teen mothers who receive welfare. I believe, as you do, that expecting teens would thrive in a specialized school setting that addresses the responsibilities of parenthood. ~~I will give your idea additional thought and hope to discuss it with you.~~

As always, I wish you and your family happiness and good health. And I look forward to playing that golf game with you soon.

Sincerely,

do we have this?
pretty strong affirmation

THE WHITE HOUSE
December 28, 1996
WASHINGTON

THE PRESIDENT HAS SEEN
12/30/96

MEMORANDUM FOR THE PRESIDENT

FROM: TODD STERN
HELEN HOWELL

SUBJECT: Recent Information Items

LYN - Pls. draft a thoughtful reply. Thanks. BC

cc: Elena

cm - Tickler file, POTUS

We are forwarding the following recent information items:

(A) **Don Ernst memo on D.C. schools initiative.** Ernst urges a presidential effort to coordinate the improvement and renewal of the D.C. public schools and he offers his help, for example, in bringing together representatives of major educational organizations to explore the human and other resources they might contribute to help address D.C.'s problems.

Send to VP/Elaine ~~[illegible]~~ Elaine to do reply

(B) **"More Benefits, Fewer Burdens" -- OMB's report to the President on reforming our regulatory system.** From Sally Katzen and Frank Raines. This sixty-page, glossy report documents efforts made by the Administration to carry out the Executive Order (no. 12866) that you signed in September 1993 entitled "Regulatory Planning and Review." The Report has chapters on "Developing Better Regulations," "Reinventing Existing Regulations," and "Changing the Culture of the Regulatory System." We've included the introductory letter from Frank and Sally to you. Let us know if you want to see the whole report.

To CC/BRED Pls advise members 97, DO reply

(C) **Letter from Dr. Henry Foster.** Raises three issues. First, he urges that universal access to perinatal services be our next incremental health care goal. He says U.S. is only industrialized country that fails to provide universal care to pregnant women and unborn, and roughly estimates that we could do this for about $2.8 billion/year. Second, he urges that "superlative day-care services" are an integral part of welfare reform, especially important for purposes of stimulating infants and enhancing their speech development. Third, he advocates revisiting the idea of special schools exclusively structured for teenagers for whom parenthood is imminent -- though he sees this not as an Administration initiative, but as something that should be a local option. Finally, he reminds you that you have an unfinished golf date.

cc VP/Sonia

(D) **"Latinos in California: the Next Italians," The Economist, December 14.** Via Sec. Cisneros. The article concerns the movement of Latinos into the middle-class in California and, as Henry says, "the burgeoning political force Latinos represent." He believes this development "has great significance for your work."

DEPARTMENT OF HEALTH & HUMAN SERVICES

Public Health Service

Washington DC 20201

DETERMINED TO BE AN
ADMINISTRATIVE MARKING
INITIALS: RPA DATE: 11/02/05

THE PRESIDENT HAS SEEN
12-30-96

'96 DEC 24 AM6:50

~~Personal and confidential~~

December 14,1996

William Jefferson Clinton
President, the United States of America
1600 Pennsylvania Avenue
Washington, D. C. 20500

Dear Mr. President:

First and foremost, congratulations on your decisive election victory. The hard work and commitment of so many has been rewarded and the American people will be the beneficiaries.

Hopefully, you have received a copy of the annual report I prepared for you regarding my function as your Senior Advisor on Teen Pregnancy Prevention and Youth Issues. It provides an overview of the activities conducted during the past year.

By writing you this personal correspondence, I have three policy issues that I wish to present briefly for your consideration. In preparing this note, I've kept in mind what Mark Twain once told a friend which was, " If I had had more time I would have written a shorter letter." Hence, I've taken the extra time in an effort to be succinct.

The first issue is one upon which I urge your most deliberate consideration. It is my assessment that legislative changes toward health care reform for now are very likely to be incremental. Given this I would strongly urge that universal access to perinatal services be this administration's next goal with respect to health care implementation policy. Being an obstetrician/gynecologist, perhaps I can't be totally objective, but I am certain that this is the correct move--both altruistically and pragmatically. Among industrialized nations only the U. S. fails to provide universal health care for its pregnant women and their unborn children--the most vulnerable among us. The real irony is, providing this care is so doable--in fact, so easily doable. This doesn't begin to equate with trying to provide health care for the

37 million uninsured; in fact, there are only 4 million annual births in the U. S. and of this number only about 22% are without comprehensive perinatal care which is well less than a million births. Based on $3200 per pregnancy, I would estimate a total annual cost of $2.8 billion which is just about what we spend each day on our overall health care. Of course HCFA can provide harder numbers. This seems like an issue that would attract bipartisan support. What a wonderful accomplishment this would be for the future of our nation.

The second issue relates to welfare reform. An excellent opportunity exists for us to break a vicious cycle for children at high risk if we can only muster the national will to do so. An integral component of welfare reform needs to be superlative day-care services. By providing such service, an early opportunity is presented to enhance infant stimulation and to contribute to their speech development at a point when the developing brain is a veritable sponge for languages. Speech functions as perhaps you know better than most are functions so vital to perform effectively in today's highly complex technological society. Give this concept your thought.

Lastly, let me put forth an idea that I have not openly espoused on my speaking circuit primarily because of its potential to have political implications if not handled adroitly. However, notwithstanding this and because I feel the idea has such significant intrinsic value, I will put it forth to you first.

With respect to pregnant adolescents, I feel it's time to revisit what I like to characterize as dedicated (alternative) schools; schools specifically and exclusively structured for adolescents for whom parenthood is imminent. I have attempted to use logic in reaching this position. The new and timely National Campaign to Prevent Teen Pregnancy which you established in February of this year has appropriately set as one of its goals the assurance that our youth grow up with a pregnancy-free adolescence and that being sexually active as unmarried adolescents is not the norm. Hence, based on this premise it is logical that dedicated or alternative schools for expecting teen parents, boys and girls, are clearly in the best interest of both groups of students i.e., those in the midst of becoming parents and those who are not. The new responsibilities of parenting are enormous and can best be addressed in a specialized setting such as that a dedicated school can provide. And for those youth who are free of teen parenting, they should not have the distractions of those needing to learn parenting skills. It's a win-win situation but I'm not naive--I know those opposed to this position will assert that the measure is being done for punitive reasons. However it's not. Further, I am not suggesting this as an administrative position for I recognize that this is not a decision that ought to be made in Washington; rather it should be a local option made at the local level.

Perhaps we'll get a chance to discuss these and other issues at some point. And remember we still have an unfinished golf date.

Every best wish to you and your family for a most enjoyable holiday season and a highly productive new year.

With warm regards,

Hank

Henry W. Foster, Jr., M. D.

5186/840/F961214

Henry W. Foster, Jr., M. D.

DETERMINED TO BE AN
ADMINISTRATIVE MARKING
INITIALS: B.P.L. DATE: 11/02/05

President Bill Clinton

~~Personal and Confidential~~

Bruce N. Reed
03/07/97 06:27:16 PM

Record Type: Record

To: See the distribution list at the bottom of this message

cc:
Subject: Ideas to vet

The following ideas were suggested for our review. Some are half-baked, some less so, and others may be worth pursuing. Could you look into them and get back to Elena by COB Tuesday your advice on the ones in your area, as well as any better ideas you may have? Thanks. This is the same drill as before -- what's your guess as to whether it's 1)advisable; and 2) something we can get done, and how long will it take us to make a recommendation.

Thanks. The more good ideas of our own we put in the pipeline, the less of this we'll have to do.

Joan - HHS - 401-6947

1. Child care (Cynthia/Elena): The govt runs the largest day care operation in the country. Could we open govt day care centers to people who don't work for the govt for a reasonable fee? [Cynthia: We should also look at other child care ideas that might make more sense, like endorsing an expansion of the dependent care tax credit, underwriting a major effort to build child care centers, etc.]

2. Environment (Diane/Paul): 1) Is EPA working on an expansion of right to know laws to cover chemical waste in 7 additional industries? 2) When will EPA develop the Safe Water regs requiring every water company to send every consumer an annual statement showing test results of the quality of water in their tap and any health concerns about drinking it? 3) Are we expanding Brownfields?

3. Education/Volunteerism (Diana/Mike): For the service summit, are depts considering adopting schools? Could every dept adopt 10 schools? [OR could they sponsor charter schools? What would they do with a school they adopted?]

4. Family Leave (Paul/Elizabeth/Elena): Could the President do an executive order to extend family leave for federal employees to cover routine doctor visits etc. (in line with our legislative proposal)?

5. Education (Mike): Can we do anything to provide monetary incentives for American students to take engineering courses?

6. Aggressive Drivers (Elizabeth): Is DOT working on a way to set up a system for people to call police from the road on phones to report the location of reckless or aggressive drivers?

7. Criminal Checks for Nannies, Home Health Care (Dennis/Chris): Apparently a couple in NY whose nanny murdered their child is crusading for this. Do we have a database, registry, or background checks for this? [Haven't we done this 10 times already? The Oprah bill, and the new home health care regs, etc.]

8. Medical Records Privacy (Chris): Did you see the NYT story yesterday on the commission on this issue? Can the HC Quality Commission look at this sometime this century?

DEPARTMENT OF HEALTH & HUMAN SERVICES

Office of the Secretary

Washington, D.C. 20201

Bruce Reed
(Copy to Elena)

FEB 13 1997

Cynthia —
see esp.
the schedule
of regs. —
Key part of our
strategy. —BR

MEMORANDUM FOR: Bruce Reed and Elena Kagan
White House Domestic Policy Council

FROM: John Monahan, Director
Office of Intergovernmental Affairs

SUBJECT: Welfare Reform Information You Requested

Attached are the three items you requested on welfare reform: a list of required reports to Congress; a schedule for the development of regulations; and background on innovative child care programs supported by public and private sources.

Please do not hesitate to contact me or Jim Ivery of my staff if you need further information. Jim can be reached on 401-5781.

Attachments

We shd do an Exec. Order
for every one we can.

Child Care Bulletin

Child Care Bureau | November/December 1995 • Issue 6

Public/Private Partnerships Work for Families

More than 250 representatives from 44 states and the District of Columbia gathered to attend the fourth annual National State Child Care Administrators' Conference "Child Care for the 21st Century," sponsored by the Child Care Bureau, in Washington D.C., September 27-28, 1995. This planning conference focused on developing strategies for enhancing the delivery of comprehensive child care services, and included opportunities to share state initiatives, to discuss emerging issues, and to hear about the latest child care research.

Several key presenters spoke of the struggles families face in balancing work and family, and the pivotal role that child care plays in helping families maintain economic self-sufficiency. A special plenary session was devoted to public/private partnerships as an essential aspect of building quality child care for the next century that is both accessible and affordable. Presenters Dana Friedman, Co-President of the Families and Work Institute, and Melinda Green, Director of Child Care Connection, Inc., and President of the National Association of Child Care Resource and Referral Agencies (NACCRRA), noted that the future development of the field of employer supports for working parents depends upon the formation of innovative and creative partnerships between the public, private, and voluntary sectors. According to Friedman, "There is clearly some overlay between the states' vision of comprehensive services for families in need and the corporate sector's recognition of the value of helping employees to balance their family and work roles. The key to fulfilling these goals lies in creative partnering, involving business representatives in the planning stages, and designing mechanisms that allow for local communities to determine how best to meet their needs."

Over the past few years, there have been numerous studies and reports which recognize that family-friendly policies support the needs of the changing workforce, promote healthier and more productive lives, and contribute important investments in the future. Interest in public/private partnerships appears to be growing across the country. During the State Administrators' Conference, Joan Lombardi, Associate Commissioner of the Child Care Bureau, stated, "We need to encourage and promote such innovations, particularly those focused on improving the overall quality of care for children in a community, and those initiatives that will improve and expand services to children of low-income working families."

It is clear that partnership activities are expanding throughout the country. Community innovations have made great progress in expanding services and improving quality care for children.

This issue of the *Child Care Bulletin* highlights some examples of working partnerships in which families, businesses, and the public sector are finding successful strategies to strengthen and support families in the balance between their work and family life.

November/December 1995 • Issue 6

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Public/Private Partnerships in Child Care

U.S. Department of Health and Human Services
Administration for Children and Families
Administration on Children, Youth and Families
Child Care Bureau

Corporate Commitment to Child Care Pays Off

Sarah Fishman

During the 1970's, American corporations began to offer child care assistance to employees. The experience of business leaders has shown that providing employees with child care assistance can reduce worker turnover, decrease absenteeism, shorten periods of maternity leave, lift morale, and improve productivity. Employee surveys often rank family-friendly benefits as second only to salaries as reasons for remaining with a particular company.

Corporate commitment to child care can take many forms, as illustrated by the following examples.

NationsBank, Charlotte, North Carolina, has invested $25 million to provide child care benefits to 65,000 employees. Child Care Plus, a subsidy program, is one of the benefits offered. Qualifying employees must work at least 60 consecutive days, 20 hours or more per week, and earn below a given salary level.

The company also offers an incentive for families to choose higher quality care by reimbursing care expenses for a licensed facility at a higher rate than for legally operated licensed-exempt care.

NationsBank has seen positive results with the subsidy program. The turnover rate among employees using the program is less than half of that for others in the same job categories. In a survey conducted by Work/Family Directions, Inc., 62% of the respondents said that the program affected their decision to remain at the bank.

Neuville Industries, a hosiery manufacturer located in Hildebran, North Carolina, has a workforce of more than 600 employees. The company has an on-site center serving 79 children, ages six weeks to five years. To ensure hiqh quality care, the center operates below its licensed capacity of 108 children and maintains lower staff/child ratios than the state requires. As needed, the center opens on Saturdays for employees on weekend shifts.

Parents pay about 60% of the cost of care, and Neuville Industries subsidizes the remaining cost. Employees receive 21-26 days of free child care per year, based on seniority. The company also subsidizes near-site care for employees working evening shifts.

Providing for child care is one of the reasons that Neuville Industries maintains a notably low employee turnover rate of about 34%, compared with the industry average of 80-100%.

Marriott Corporation, the hospitality and lodging corporation with headquarters in Bethesda, Maryland, employs more than 175,000 people worldwide. Two of its hotels have formed a partnership with the Omni Hotel at CNN Center and the Hyatt Regency in Atlanta. They have established a non-profit organization and broken ground for a 24-hour child care center. This center will meet the needs of 1,000 hourly wage shift workers. In addition, other businesses, the city of Atlanta, along with Fulton County, and community organizations, joined in the effort. Project support comes from Child Care and Development Block Grant funds, through the Georgia Child Care Council.

Marriott also operates a 24-hour telephone referral service to assist employees with a variety of work and family issues. Since more than 26 different languages are spoken throughout the corporation, social workers speak the predominate languages of workers in a given area.

For more information about the three corporations highlighted in this article, contact the following persons:

- NationsBank: Kim Hains, (704) 386-5175
- Neuville Industries: Chris Gates, (704) 397-5566
- Marriott Corporation: Donna Klein, (301) 380-8850.

Sarah Fishman, formerly a Program Specialist with ACF Region I, is active in the Boston area child care community.

Spotlight on...

DuPont Corporation: A survey of 18,000 employees at DuPont Corporation documents the correlation between employee commitment and the company's efforts to support employees in balancing work and family responsibilities. This information, combined with two previous DuPont studies, provides a decade of work/life data. "The results of the study clearly indicate that work/life programs are a powerful tool to motivate people and encourage commitment to achieving business objectives," said John A. Krol, Dupont President and CEO-designate. Listed below are some of the findings:

- Employees using work/life programs are more committed, and not likely to feel overwhelmed or burned out.
- Employee programs have reduced the number of workers who report problems finding affordable care, care for sick children or care during business travel or overtime.

For more information about the DuPont study, contact Heidi Rowann at: (302) 774-0863.

Honor Roll Companies Take the Lead

Lauren Asher

The Women's Bureau of the U.S. Department of Labor has launched the *Working Women Count Honor Roll*, a nationwide initiative to improve the lives of working families. The *Honor Roll* encourages employers, organizations, and individuals to implement policies and programs in three areas: improving pay and benefits, building a family friendly workplace, and valuing women's work through training and advancement. A quarter of a million women identified these priority areas in the 1994 Women's Bureau *Working Women Count* survey. "By treating women with dignity, helping people to balance work and family responsibilities, and improving pay and benefits, *Honor Roll* members will make life better for all families," said Labor Secretary Robert B. Reich.

Karen Nussbaum, director of the Women's Bureau, summarized the potential impact of this initiative, "We want the *Honor Roll* to build momentum for practical, concrete change. We predict that over the next year, more than a million working Americans will be able to see the effects: a new child care center, time off for family responsibilities, and professional development training."

The Women's Bureau plans to collect 1,000 *Honor Roll* pledges by next spring. The Bureau has already gathered more than 400 pledges from businesses, community organizations, state and local governments, and labor unions. These pledges include a variety of initiatives, such as flexible work schedules, personal leave time, on-site child care and training for higher paying jobs. The *Honor Roll* pledges come from various sources, ranging from the relatively small McAlvain Construction company in Boise, Idaho, to the international corporation, Bausch and Lomb; from an apprenticeship program in Anchorage, Alaska, to a pledge from the city of Kansas City, Missouri.

A few examples of *Honor Roll* pledges that emphasize child care initiatives are listed below.

❖ **The Little Hoop Community College**, Fort Totten, North Dakota, discovered an unmet need for child care through their participation in the *Working Women Count* survey. As a result, a child care center was created and the college is working in partnership with local businesses to raise money for a major community child care center.

❖ **GTE Corporation** in Needham, Massachusetts offers emergency care on snow days and school holidays, allows employees to bring their children to work, and has private nursing rooms for new mothers.

❖ **Hotel Employees and Restaurant Employees Union Local 2** in San Francisco, California is establishing a child and elder care fund for hotel employees, one of the largest ever negotiated by a union. Employers will contribute five cents for every hour worked by members.

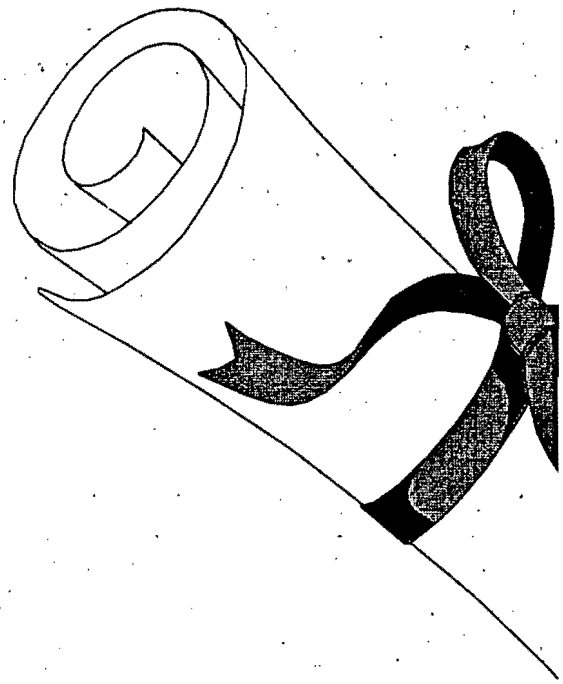
❖ **Oregon Community Foundation's Oregon Child Development Fund** in Portland has pledged to raise $900,000 over three years to fund job training for hundreds of infant/toddler child care providers. The goal is to increase the supply and quality of child care for infants and toddlers throughout the state.

❖ **The American Home Products Corporation**, Madison, New Jersey, has pledged to establish an on-site child care center and provide tuition assistance for employees with annual family incomes under $70,000. This new facility offers care for infants and preschoolers as well as a full-day kindergarten, care for mildly ill children through age 6, and back-up care for children through age 12.

❖ **Quadrangle Child Care Center** in Cleveland, Ohio has pledged to design and implement an intergenerational program in conjunction with Lupica Towers (a senior citizens residence) to enhance the quality of services for children and the elderly.

Anyone interested in joining the *Working Women Count Honor Roll* can request materials by contacting the Women's Bureau at 1-800-827-5335. Programs entered into the *Honor Roll* receive a certificate from the Secretary of Labor and information about the program will be made available to the public.

Lauren Asher is Communications Director for the Women's Bureau, U.S. Department of Labor. For additional information about Honor Roll pledges in a specific city or state, contact Lauren at: (202) 219-6652, ext. 107, or Grier Mendel at ext. 133.



Partnering to Support School-Age Care

After-school programs are excellent opportunities to form partnerships and community strategies that promote positive outcomes for "at-risk" youth. Whether the initial impetus came from a private foundation, a government initiative, or a corporate president and CEO, the following programs are community initiatives that support youth.

MOST (Making the Most of Out-of-School Time), is a five-year, $6.5 million initiative of the DeWitt Wallace-Reader's Digest Fund to improve school-age child care, especially for low income families. The project was designed in partnership with the School-Age Child Care Project (SACCProject) at the Wellesley College Center for Research on Women (see "MOST Initiative," in the *Child Care Bulletin*, March/April 1995).

Chicago, Seattle, and Boston were selected to receive a three-year grant of $1.2 million to respond to the needs of thousands of school-age children. For each of the three cities, this implementation grant is a result of a year of collaborative planning with a variety of public and private partners with an interest in the supply and quality of school-age programs, and an interest in community development, education, and support for child care.

For more information, contact Lillian Coltin, SACCProject, Wellesley Center for Research on Women, (617) 283-2539.

Support Our Students (SOS), North Carolina's statewide initiative for providing quality, community based after-school services for at-risk students, focuses on children in their middle school years. In 1994, Governor Jim Hunt proposed SOS as a public-private partnership in which some state funding is used to leverage local and private support from schools, businesses, churches, and other community resources. In one year, SOS exceeded its three-year goal of serving 6,000 youth. SOS is now progressing well with a new goal to serve 20,000 youth and raise $5 million in private in-kind contributions in three years.

Selected county programs are funded through the state's Department of Human Resources' SOS Office which provides technical assistance and promotes coordination among the programs. Additional assistance is provided through the state's Cooperative Extension Service and the Office of the Governor.

Participating organizations include Arts Councils, Boys and Girls Clubs, Junior League, United Way, Cities-In-Schools, YMCA, and various other community focused agencies. Examples of private and community support offered to SOS programs include an awards day sponsored by Cal-Tone Paints; college scholarships through Arby's; a computer tutor from Motorola; payroll and accounting services by Leith Auto; Clark-Hurth Company employee volunteers; an after-school basketball program with the Charlotte Police; and assistance for students in setting up their own small business through Smithfield's Chamber of Commerce.

For more information, contact Joe Canty, SOS Program Director, (919) 571-4848.

The 4-H After School Program is a partnership that was founded in Los Angeles, California in 1988. The program focuses on youth, ages 7 to 13, living in public housing communities. The program's resources are from a blend of U.S. Departments of Housing and Urban Development (HUD) and Agriculture, corporations and local businesses, local housing authorities, land grant universities, Cooperative Extension System 4-H, National 4-H Council, local schools, city and county governments, and other public and private funding or in-kind support. Although the success of the program is due to the combined commitment of each partner, many indicate that the leadership of Roger Beach, Chair and CEO of Unocal Corporation and the innovative "Vision Team" approach were the real keys that brought the collaboration into being and heightend private sector awareness.

This 4-H program involves communities in improving the quality of life for themselves and others residing in public housing units. As a positive alternative to youth spending time alone after school, 4-H offers opportunities to work on academic studies, 4-H "learn by doing" projects, community service, nutrition and fitness education.

Operating every day, 50 weeks a year, and serving more than 1,200 youth, the success of the program in Los Angeles has prompted HUD to commit funds to expand that program from 23 to 51 sites, and to begin a similar program in Kansas City, Oakland, and Philadelphia. Each community has organized a Vision Team, consisting of representatives from the business, education, government, and community sectors.

For more information, contact Don MacNeil, Metro-Coordinator, National 4-H Council at: (805) 498-3937, or Nancy Valentine, USDA at: (202) 720-5578, or Beverly Hardy, HUD at: (202) 708-4214.

Working Mother Spotlights Family Friendly Companies

Karen Mazzotta

Dedicated to helping women balance roles at home and at work, *Working Mother* magazine researches and addresses critical issues that impact families. The magazine is a source of information for parents on various topics, from finding good child care to pay equity, from child development and parent education to managing priorities and pressures at work.

Each year *Working Mother* publishes two reports highlighting child care activities. "How Does Your State Rate?" (in the March 1995 issue) examines states' commitment to child care, and "100 Best Companies for Working Mothers," (in the October 1995 issue) lists America's most innovative companies in support of working families.

How Does Your State Rate?

In the *Working Mother* third annual report evaluating child care in each state, California, Colorado, Connecticut, Hawaii, Maryland, Massachusetts, Minnesota, Vermont, Washington, and Wisconsin rated the highest. Criteria for the 10 Best States include quality, availability, and safety of child care, as well as commitment of state, business, and community leaders to improving care. In addition to the ten best, North Carolina earned the distinction of "Most Exciting State" for its $47 million commitment to Smart Start, which aims to make affordable quality early education available to every child.

100 Best Companies for Working Mothers

This year marks the tenth anniversary of the list now known as the WORKING MOTHER 100, a roster that features the most innovative and advanced firms for working parents. Firms that make the list are considered role models for business, creating workplaces that offer employees both the opportunity to advance in their careers and to have a good family life. Companies are evaluated on four criteria: pay, advancement opportunities for women, support for child care (financial assistance, referrals and/or actual care), and family-friendly benefits.

Companies from the WORKING MOTHER 100 that scored the highest rating possible in the area of child care:

Barnett Banks, Inc.	Lincoln National Corporation
Corning Incorporated	Merck & Co., Inc.
Fel-Pro Incorporated	NationsBank Corporation
Glaxo Wellcome Inc.	Quad/Graphics, Inc.
IBM Corporation	SAS Institute Inc.
Johnson & Johnson	Schering-Plough Corporation
SC Johnson Wax	Xerox Corporation
Lancaster Laboratories, Inc.	

In the area of child care, of the 100 firms on this year's list, 76 offer child care on-site or at a nearby site. Eleven new centers were opened in the past year by these companies: Allstate, Barnett Banks, CIGNA, Corning, Glaxo Wellcome, Lincoln National, Marriott, NationsBank, Quad/Graphics, and SAS Institute.

Some benefits that companies never considered providing a decade ago, are now fairly standard among those on the list. These include such benefits as before and after-school care, holiday care, back-up care, summer programs, and sick child care. There are many exciting child care initiatives, including IBM's commitment of $50 million to support child and elder care programs; Johnson & Johnson's new Family Child Care System of specially screened and trained providers, and their toll-free service for professional advice on child-rearing problems, from getting a baby to sleep to communicating with a sullen teenager; and Xerox Corporation's expansion of child care programs to provide infant and toddler slots and assistance for more than 3,000 employees in paying for child care. At Fel-Pro, babies are welcomed with a $1,000 savings bond, and various benefits that support the child and family continue through the college years.

When *Working Mother* debuted the list in 1986, it recognized only 30 firms for their family-friendly practices. Today, hundreds of employers compete to be on the list, and there is an increasing number of innovative and creative initiatives. "Our goal in creating this roster ten years ago was to call attention to corporate role models so that others would follow in their footsteps," says Judsen Culbreth, *Working Mother* editor-in-chief. "There's been such an outpouring of support for and interest in this project that the WORKING MOTHER 100 has taken on greater meaning: This list tracks our country's work/family revolution."

Karen Mazzotta is the publicist for Working Mother *magazine. For more information, contact (516) 549-1580.*

CHILD CARE OPTIONS FOR EMPLOYERS

OPTION	DESCRIPTION
Sponsor near or on-site child care center(s)	A center can be owned or operated by the company, owned by the company and managed by a third party, or owned and operated by a subcontractor or grantee. The center is primarily for the employees of the sponsoring company.
Support a local child care center	Through a grant or contract, a local child care center can accept funds from a company or a group of companies (as in a consortium arrangement) in exchange for priority enrollment/reduced fees for employees of the contributing company.
Create or support a family child care network	Provide funds to a body representing a group of family child care homes who will provide slots to employees' children. This is particularly helpful to firms whose employees work evenings or weekends, or who have infants.
Create or support after-school care	An employer can help start a program in the community or schools to serve the needs of 6 - 13 year olds before and after-school.
Create or support a vacation/holiday program	Make a program available that serves children when school is out, including summer vacations.
Create or support back-up or emergency care	Make a program available that serves children when their regular care arrangements have fallen through or when there is an emergency.
Create or support a sick child care program	Make a program available for mildly-ill children, either as part of an existing child care center, a hospital, a free-standing program near work or in the community, or as an in-home program where qualified people are sent into the child's home.
Offer resource and referral services	Educate employees about their child care choices in the community and provide referrals to programs with openings.
Parenting seminars	Organize informational meetings on parenting issues and child care concerns.
Caregiver fairs	Arrange for local service providers to distribute information about their programs.
Vouchers	The employer pays for a portion of child care expenses.
Discounts	The employer arranges for employees to be charged a reduced rate at programs of the employer's choosing.
Dependent Care Assistance Plans (DCAPs)	A mechanism that allows for employees to pay for their child care with pre-tax dollars. There is a savings to the employer, although the subsidy is actually paid for by the government.
Corporate Funds	A corporate set-aside for making grants to local organizations that agree to provide access to employees. These are not philanthropic dollars.
Corporate Contributions	Grants to local organizations to generally improve the supply or quality of child care at the local, state, or national level.
In-kind contributions	With the donation of equipment, supplies, or expertise from the company, local child care services can receive much-needed support.
Public education	The use of corporate clout can help bring attention to important child care issues. Employer representatives can serve on community-wide task forces, testify at hearings, and publicize child care issues at professional meetings.

*Developed by the **Families and Work Institute**, 330 Seventh Avenue, 14th Floor, New York, NY 10001, (212) 465-2044.*

American Business Collaboration Leads Corporate Support

Randall Wong

The American Business Collaboration for Quality Dependent Care (ABC) is a national effort which was launched three years ago by major corporations to increase the supply and enhance the quality of child and elder care programs across the country.

During the first phase of this effort, 156 businesses, governmental entities, and not-for-profit organizations invested more than $27 million in 45 communities throughout 25 states and the District of Columbia. They have supported 355 dependent care projects which have been utilized by more than 277,000 individuals, including the dependents of employees and community residents.

The second phase of this effort began in September, 1995. In a powerful declaration of support for their employees, 21 major corporations have announced their joint commitment to a $100 million initiative to develop and strengthen school-age, child care, and elder care projects in communities throughout the country. This initiative is believed to be the largest investment ever in dependent care by the private sector.

The companies are expected to take the lead in funding more than 1,000 projects over the next six years in a major collaborative effort that includes support for research and development for national pilot programs. The focus will be on investing in programs that are innovative and replicable.

Ellen Galinsky, Co-president of the non-profit Families and Work Institute, said the scope of the additional funding will have a "dramatic impact on the dependent care community, and called the initiative "a sound investment" for the participating companies. "Our studies clearly demonstrate that for every dollar companies spend on work-life programs, they get back a return in terms of retention, reduced stress, and greater loyalty," she said. Chief executive officers of the ABC lead companies have stated that their support for dependent care was based on bottom line business factors.

Mary Kay Leonard, vice president for Work/Family Directions, the Boston-based consulting firm which facilitates the collaborative process, said that in the next phase of this effort there will be a greater emphasis on quality improvement, increased focus on developing services that meet the specific needs of working parents such as extended hours for child care programs, and a sharp increase in projects that are specifically designed for school-age children.

At a White House ceremony on October 31, First Lady Hillary Rodham Clinton and Labor Secretary Robert Reich met with senior executives from 20 lead companies of the American Business Collaboration, as well as families of their employees, along with other business leaders from across the nation to urge employers, organizations, and individuals to join the *Working Women Count Honor Roll* (see related article). Encouraging every employer in the country to adopt policies that help workers balance their family and work responsibilities, the First Lady and Reich discussed employer commitment and support with families who benefit from family-friendly policies.

Among the families who met with officials at the White House was Susan O'Neil, administrative assistant at Deloitte & Touche, in Boston, along with three-year-old daughter, Stephanie. Speaking of her employer, Ms. O'Neil stated, "They give me the chance to make my balancing act a reality. Although I still work eight hours per day, I have the flexibility to do it in a time span that meets my family's needs." Her employer has a resource and referral service and a Dependent Care Flexible Spending Plan that lets her put aside part of her pay before taxes to spend on child care. "We ask you the government, and you the employer, to help us, the working people, to make it work. We can't do it alone. The bottom line is we need to put stock in families, we need to invest in families to help make this country a great, safe and healthy place to live and work."

To learn more about ABC, contact Randy Wong, Work/Family Directions, Inc. 1-800-767-9863.

"We believe that supporting the diverse dependent care needs of our employees is critical to our success as it enables our companies to attract and retain a productive, competitive, committed and motivated workforce. The availability of quality dependent care programs...enables our employees to do their best at work by helping them manage their work and personal responsibilities."

(In a statement signed by the CEOs of: Aetna Life & Casualty, Allstate Insurance, American Express, Amoco, AT&T, Bank of America, Chevron, Citibank, Deloitte & Touche LLP, Eastman Kodak, Exxon, GE Capital Services, Hewlett-Packard, IBM, Johnson & Johnson, Mobil, NYNEX, Price Waterhouse LLP, Texaco, Texas Instruments, and Xerox.)

Child Care Partnerships Emerge Across the Country

Colorado

Colorado Governor Roy Romer has created a Business Commission on Child Care Financing to study ways to finance quality child care. Chaired by the president of the First Bank in Denver, the Commission is to present recommendations to the governor, state lawmakers, and the business community by January 1.

The Commission includes representatives from AT&T, Channel 9, Colorado AFL-CIO, Coors Brewing Co., Copper Mountain, the Denver Business Journal, Hyatt Regency, Time Warner Cable, United Airlines, Lockheed, and others. Their expertise will be used to assess funding sources, develop multi-sector financing approaches, and motivate the business community to look into child care financing reform from a business and economic standpoint.

To learn more, call Sam Williams, Coordinator, Colorado Business Commission on Child Care Financing, at: (303) 866-5860.

Grand Ronde Tribe

Located in Oregon, the Grand Ronde Tribe is implementing a benefits package for all tribal employees that includes a 50% match for child care assistance. Relying mostly on family child care providers, the tribe partners with the statewide resource and referral network and the Child Care Resource Center to assist providers with licensing and training.

Tribal members are considering new ventures, such as a center-based program for infants, and creating a youth center facility to house partnering agencies. This would include CCDBG supported community preschool, before and after-school programs, YCAP which operates the county Head Start program, Johnson O'Malley cultural education programs and several others.

To learn more, contact Shawn Hostler or Wendy Spencer at the Grand Ronde Indian Reservation, at: (503) 879-5211.

Indiana

In November, a Symposium on Child Care Financing was convened by the Indiana Family and Social Services Administration along with the Child Care Action Campaign, to bring together public and private leaders from across the state to collaborate on innovative funding strategies. Co-chaired by Indiana First Lady Susan Bayh and Mrs. Charlene Lugar, the Symposium included presentations by funding experts from an employer consortium, a single employer fund, a multi-partner fund, and a community development loan fund. Nearly 300 participants attended from 17 county teams comprised of an elected official, major employer, a community foundation, a financing institution, chamber of commerce, private industry council, public health and education agencies, a child care provider, resource and referral agency, and parents.

Corporate sponsors are providing financial support and company mentors to assist the 17 counties in implementing their proposed strategy to expand and enhance child care in their communities. At this time, the corporate sponsors include: CB Commercial, American Cablevision, Conseco, Cummins Engine, Eli Lilly & Co., Golden Rule Insurance, Ice Miller Donadio & Ryan, IPALCO Enterprises, Lincoln National Corporation, Marsh Supermarkets, Inc., the Junior League of Indianapolis, McDonald's Corporation, Northern Indiana Public Service Company (NIPSCO), NBD Bank, PSI Energy, Society National Bank of Indiana, Weiss Communications/Indianapolis Woman, Wishard Memorial Hospital, St. Vincent-Community Health Network, and WISH/TV.

To learn more, contact Carole Stein, Indiana Family and Social Services Administration, at: (317) 232-1148.

Iowa

ChildNet is an employee assistance benefit program that connects families to quality child care. A comprehensive resource and referral service, ChildNet is available to employees of subscribing companies through a public-private partnership with the Iowa Child Care Resource and Referral System.

ChildNet provides direct child care assistance services to employees and a certification program for child care providers. In addition, ChildNet provides work site informational seminars on topics such as choosing infant care, single parenting, summer-care options. Additionally, they produce informational materials such as work and family articles for company newsletters and parent education materials.

To learn more, contact Karen King, Director, ChildNet/CCR&R of Central Iowa Lead Agency, at: (515) 286-2004.

Jamestown S'Klallam Tribe

Located in Washington state, the Jamestown S'Klallam Tribe and its Seven Cedars Casino are working with a private partner, New Horizon Kids Quest™ to develop child care services. These services will include an hourly child care center for children of casino guests and a child care center serving casino and tribal employees as well as members of the surrounding community.

For more information, contact Ron Allen, Tribal Chairman, Jamestown S'Klallam Tribe, (360) 681-4621 or Pete Guidera, Vice President of Development, New Horizon Kids Quest (612) 577-9201.

South Dakota

The South Dakota Department of Social Services Office of Child Care Services and the Governor's Office have joined with the Industry and Commerce Association to address child care needs. The result is a cooperative initiative called "Kids 1st with South Dakota Businesses."

The program aims to help businesses to deal with issues involved in developing a child care plan.

Publications produced by the partnership include *The Employer's Guide to Private and Public Child Care Solutions* and the *Business Profile Handbook*. The *Guide* highlights available child care options for employers, outlining the benefits and the challenges of various choices. It includes sections on exploring organizational needs, flexible human resource policies, child care support services, and establishing on-site and near-site child care. The *Handbook* includes brief descriptions of businesses in South Dakota that have instituted some form of policy change in support of child care.

To learn more, contact Bobbi Brown, Administrator, Office of Child Care Services, South Dakota Department of Social Services, (605) 773-4766.

Washington

The state's policies provide for a child care partnership committee and an employer liaison to help increase employer assistance and involvement in child care. Child Care Advantages (CCA) forms the state-level connection between the Office of Child Care Policy and the Office of Business Assistance.

Supported by Washington's Departments of Social and Health Services and Community, Trade and Economic Development, CCA is designed to help employers develop effective and efficient family-friendly policies. It facilitates employee assistance in work-family issues including child and elder care, and helps generate public/private partnerships in communities.

Specifically, CCA provides businesses with financial and technical assistance in developing on-site and near-site child care facilities. Qualified businesses can receive direct loans, loan guarantees, or grants to start or expand child care facilities through a Child Care Facility Fund. The partnerships involved have created over 1,000 child care slots and leveraged close to $5 million dollars. Many of the corporate supported centers are located in rural, underserved areas.

CCA also conducts an annual conference to provide information and resources for employers who wish to implement family friendly practices, and to recognize public and private employers who make great strides in creating a family-friendly workplace.

For more information, contact Larry Macmillan, program manager for Child Care Advantages, (360) 586-3023.

Employer Council on Lower-Wage Workers and Families

The Families and Work Institute (FWI) is partnering with Marriott International to create the Employer Council on Lower-Wage Workers and Their Families with start-up support through the Carnegie Corporation of New York. Most research, including the FWI's *National Study of the Changing Workforce*, has shown that work-family assistance is considerably more available for highly educated and highly compensated employees than for their lower wage counterparts. At the same time, the growth in this segment of the national workforce is outpacing all other groups. Even workers who can earn competitive wages find themselves challenged to make ends meet. Finding child care and other family services needed to maintain self-sufficiency is particularly difficult.

This Council will explore and challenge the way that major corporations and policymakers address the family needs of their lower-income employees, identifying key work-family issues for these workers, and innovative strategies for addressing their needs. This Council is the next step on the evolution of the work-family field -- to create champions for the needs of the low-wage workers. A group of approximately 25 major corporations, including Levi-Strauss, McDonald's, Burger King, Sears, Pepsico, ConAgra, Perdue, Wegman's, JP Morgan Delaware, Prudential Insurance, Barnett Banks, and Hyatt, as well as the U.S. General Services Administration, will meet three times during the next 18 months for discussion, debate, and brainstorming about policies and programs. The Families and Work Institute will prepare the background information and lead the discussions; academics and policy makers will brief the group on such issues as child care and welfare-to-work programs. The process will culminate in a series of recommendations that will be published by the FWI and presented to business leaders and policy makers.

Healthy Child Care Update: North Texas

Elaine Klos

An important component of quality care is the link between the health care and the child care communities. The First Texas Council of Camp Fire in Fort Worth is leading an effort in an 18-county region of North Texas in which a collaboration of public and private entities have joined together to achieve the goal of safe and healthy child care settings.

This Healthy Child Care Coalition includes members of the child and health care communities, elected officials, and Corporate Champions, 13 major employers that support and fund high quality child care.

The Coalition is compiling a list of the programs and projects that are currently available in the public and private sectors. Using the Healthy Child Care America Blueprint (see "Healthy Child Care America Campaign Launched," in the *Child Care Bulletin*, July/August 1995), the Coalition will seek to answer the questions: Are services easily accessible and sufficient in number? Where are the gaps in service? Where will the funding come from to improve and develop services?

The Coalition plans to develop support mechanisms and to serve as an "information connector" for child care providers and the health care community. It will include information in a monthly newsletter to more than 4,500 child care providers.

Elaine Klos is the Advocacy Director of the First Texas Council of Camp Fire. To learn more, contact Elaine at: (817) 831-2111.

Small Business Makes Big Impact

Chuck Adams

Just over two years ago, an old hatchery building at Sanderson Farms in Collins, Mississippi was a graveyard of retired poultry processing equipment. With a lot of commitment and a little imagination, Joe Sanderson's corporate initiative transformed the facility into a modern, licensed child care center. The goal was to provide quality child care and education for the children, resulting in a less stressful environment for the parents employed by the Collins Processing and Production Division of Sanderson Farms.

Community partners and creative planning were integral to accomplishing this goal. For example, the crafting of storage shelves was a class project in carpentry for students at Collins High School Vocational Center. Also, the state Office for Children and Youth provides major funding for the center's teaching materials, supplies, equipment, and some operating expenses.

The center serves as many as 329 children over two shifts. The services offered include infant and toddler care, care for preschool children, school-age care, summer programs, and four specially designed playgrounds, including one for infants. The program provides flexibility for employees' families, opening before 4:30 a.m., and extending hours when work shifts run long. It also opens on Saturdays and holidays, whenever the plant operates.

Chuck Adams is the Director of Administration for Sanderson Farms, Inc. For more information, contact Chuck at: (601) 649-4030.

Private Capital Works to Enrich Care

Every child care provider, at some point, must assess the need to improve or expand their facility. Usually, they find that the resources are unavailable. Many centers receive barely enough in parent fees and state child care subsidies to meet costs, leaving little or no fund for capital improvements.

Recognizing this problem, the United Way of Massachusetts Bay and the Hyams Foundation decided to start a private loan fund to improve child care in the Boston area. The result of that collaboration, the Child Care Capital Investment Fund (CCCIF), has loaned 23 centers up to $120,000 for renovations, construction, and refinancing.

Since the CCCIF began, not one center has defaulted on a loan. This success has led to a new program called "Mini Loans" to serve smaller centers. These are loans for up to $5,000 for five years, at a 5% interest rate, to be used for emergency repairs, replacing old furnishings, or purchasing new equipment.

The CCCIF uses a comprehensive approach to capital improvements. Prior to a center receiving funds, CCCIF staff make site visits to help the program director prioritize needs, identify funding sources, estimate costs and calculate the center's ability to repay the loan. In addition, CCCIF gives interest free loans for planning costs.

After a loan is made, the center receives technical help to implement the improvements. This assistance can range from finding an architect that specializes in developmentally appropriate designs, to programming computers and teaching center staff to budget for debt.

For more information, contact the CCCIF, 294 Washington Street, Suite 330, Boston, MA 02108-4608, or call: (617) 728-3028.

Within each issue, the Child Care Bulletin highlights resources available to the child care community. We encourage providers, parents, administrators, and other readers to share your knowledge of what is available so that we may pass it on to the field.

Publications

➢ *Child Care Options: A Workplace Initiative for the 21st Century*
Margery Leveen Sher and Madeline Fried

This book examines how and why businesses can create family friendly policies for employees. It discusses child care options for businesses, facility design, licensing and resources available to employers and employees. (Available for $27.50 plus shipping from Oryx Press, 4041 N. Central Ave., Suite 700, Phoenix, AZ 85012, or call: (800) 279-6799).

➢ *The Work and Family Kit*
Office of Personnel Management

The Kit is a compendium of family friendly practices, policies, resources and references available to help employees balance work and family needs. Targeted at federal agency personnel, the Kit is a valuable resource for organizations instituting child care, alternative work schedules, job-sharing, telecommuting and other employee benefits. (For availability, contact OPM's Work and Family Program Center at: (202) 606-5520.

Publications below are available from the Families and Work Institute, 330 Seventh Ave., 14th Floor, New York, NY 10001, Attn: Publications, or call (212) 465-2044.

➢ *Corporate Reference Guide to Work-Family Programs*
Ellen Galinsky, Dana Friedman and Carol Hernandez

An extensive reference on work-family issues, the book addresses the questions most frequently posed by companies. Crossing 30 industries, it provides a comparative analysis of family-supportive policies in Fortune 500 companies. It contains case studies, model initiatives, and the stages of development of corporate work-family programs ($50).

➢ *Education Before School: Investing in Quality Child Care*
Ellen Galinsky and Dana Friedman

A guide to the supply, cost, and quality of child care in the U.S. The book includes numerous case studies of corporate initiatives to improve the quality of child care and education and includes a vision of an early childhood system for the 21st century ($15).

National Child Care Research Consortium Formed

The Child Care Bureau has announced three cooperative agreements for child care research. The partnerships will study critical child care issues, including demand, supply, and the outcomes for low-income families. The recipients will join with others in the child care field to form a National Child Care Research Consortium to create a data archive for researchers studying interrelationships among child care, welfare and work.

The recipients of the $100,000 grants were: (1) the Florida Children's Forum, in partnership with Florida, Massachusetts, Alabama and state, local, and national organizations; (2) Regional Research Institute for Human Services at Portland State University, with other Oregon partners, AT&T, and the Families and Work Institute; and (3) the National Center for Children in Poverty in the School of Public Health, in partnership with Illinois, Maryland, and specifically, Maryland Committee for Children, Illinois Child Care Resource and Referral Association, and other state and local agencies. The National Association of Child Care Resource and Referral Agencies (NACCRRA) also participates in each partnership.

To learn more, contact Pia Divine, Coordinator of the National Child Care Research Consortium, Child Care Bureau, at: (202) 690-6705, or internet [pdivine@acf.dhhs.gov]

"People helping people help themselves"

Frank O'Bannon, Governor
State of Indiana

Indiana Family and Social Services Administration
402 W. WASHINGTON STREET, P.O. BOX 7083
INDIANAPOLIS, IN 46207-7083

Katherine L. Davis, Secretary

NEWS RELEASE

Andrew's copy & return - please call Carol + congratulate her form

EMBARGOED FOR RELEASE after 6 p.m. Friday, February 7, 1997

INDIANA CHILD CARE FINANCING SYMPOSIUM WINS NATIONAL AWARD

The Indiana Family and Social Services Administration (FSSA) today accepted an Innovative Excellence award in San Diego in a national competition for work-and-family programs. The award recognized FSSA's leadership in convening its second Indiana Symposium on Child Care Financing in Indianapolis on Oct. 9, 1996.

Carole Stein of the Family and Social Services Administration accepted the award on behalf of FSSA from the Alliance of Work/Life Professionals. The Alliance is a nonprofit organization established last year that combined the two leading membership organizations in the work-life field: the National Work Family Alliance and the Association of Work/Life Professionals. The Alliance presented just three Innovative Excellence Awards at its annual conference.

The award honors the Family and Social Services Administration for organizing the Indiana Symposium on Child Care Financing. The Symposium was the product of a collaborative effort between FSSA and the Child Care Action Campaign, a national nonprofit child care advocacy organization.

The Symposium was the focal event of a successful program designed to show private sector employers how family-friendly operations benefit them and their communities. The 1995 Symposium led to demonstration projects in 17 Indiana counties. Their reports at the 1996 Symposium showed what can be done. As a result, more than two-thirds of Indiana's 92 counties have initiated projects for child care financing.

Business, community, and government leaders from at least 60 counties shared experiences and expertise at the 1996 Symposium. Honorary co-chairs are Susan Bayh, who was

Equal Opportunity / Affirmative Action Employer

Indiana's First Lady at the time of the Symposium, and Charlene Lugar, wife of Sen. Richard G. Lugar, R-Ind. Their participation sent a clear signal of bipartisan commitment to affordable, available, quality child care for Indiana.

A few examples of the accomplishments:

-- A Michigan City bank established a $50,000 revolving fund to help licensed child care providers in two counties make improvements.

-- A chief executive officer said his Miami County company established child care for employees because a survey showed him the bottom line savings in doing so.

-- A Michigan City synagogue rented space for care of 25 pre-schoolers, regardless of religion, at the urging of a child care coalition established by one of the congregation's mothers.

"The Family and Social Services Administration is proud of this award and proud of the many corporate sponsors who helped make the Indiana Symposium on child Care Financing a success," said Katherine L. Davis, Secretary of FSSA. "As a leader in welfare reform, Indiana recognizes the link between quality child care, working parents and the workforce of the future."

Corporate sponsors of the Symposium were American Cablevision, American States Financial Corporation; Brightpointe, Inc.; Conseco; Cummins Engine Co.; Eli Lilly and Company; Golden Rule Insurance; Ice, Miller, Donadio & Ryan; IPALCO Enterprises Inc.; The Junior League of Indianapolis; Lincoln National Corporation; Marsh Supermarkets Inc.; Maytag; Melvin Simon and Associates Inc.; Northern Indiana Public Service Company; PSI Energy; Resort Condominiums International; Weiss Communications Inc. -- Indianapolis Woman; Work/Family Directions; Wishard Memorial Hospital and WISH-TV.

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Alliance of WORK/LIFE Professionals

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Child Care Center, Helicopter Manufacturer, State Agency Win "Innovative Excellence" Awards for Work-Life Programs

SAN DIEGO (Feb. 7) -- A Connecticut company which builds helicopters, an Indiana state agency, and a California child care center today were named winners in a national competition for innovative work and family programs.

Sikorsky Aircraft Corp., Stratford, Conn., Indiana Family and Social Services Administration, and Palcare, Burlingame, Calif., were selected for Innovative Excellence Awards by the Association of Work/Life Professionals.

The Association is a non-profit organization established last year that combined the two leading membership organizations in the work-life field: the National Work Family Alliance and the Association of Work/Life Professionals.

The awards were presented at the Association's annual conference at the Hotel Del Coronado in San Diego, Calif.

Palcare, a child care center at San Francisco International Airport with an unusually flexible program for the children of parents working on rotating schedules, and the Indiana Family and Social Services Administration were co-winners of the Community Innovative Excellence Award.

Sikorsky was honored with the Corporate Innovative Excellence Award for developing and implementing what the judges called an "unusually successful" company-wide training program designed to encourage employees to take advantage of flexible workplace programs.

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In the first year under the new program, there was a 150 per cent increase in the number of part-time Sikorsky employees utilizing flexible work arrangements and a 104 per cent jump in the number of employees on approved work at home arrangements.

The Managing Flexibility for Productivity program included mandatory training for all supervisors and a series of tools designed to help employees write a proposal for a flexible work arrangement and the supervisor to evaluate the proposal.

The Indiana Family and Social Services Administration was honored for its effort in organizing the Indiana Symposium on Child Care Financing in collaboration with the Child Care Action Campaign, a national non-profit childcare advocacy organization.

The Symposium was the focal event of a successful program designed to increase the role of private sector employers in investing in expanding the quantity and improving the quality of child care for working families in 17 counties across the state.

Palcare opened three years ago through a partnership involving labor, businesses, county and local government, and community nonprofit organizations who were concerned about the lack of flexible, affordable child care available for employees with non-traditional and rotating work schedules.

The center provides flexible, night and day care, seven days a week and is open between 18 and 20 hours a day, thus meeting the needs of parents working swing shifts. The center also provides care for school-aged children at night and on weekends.

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