

The National Child Care Policy
and Its Effect on the State of Texas

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Abstract

The child care legislation passed in 1990 and its recent effects were studied. The researcher outlined the need for child care aid, the steps leading up to the bill including the specific proponents of the legislation, and how the bill is working for the state of Texas. Published literature, speeches, pamphlets, and personal observation were utilized to gather information. Although the legislation is limited in its scope, it is fulfilling a great need for the children and families in America. Texas has developed a comprehensive and efficient program in which to implement this legislation. It is working quite effectively for all involved; families, caregivers, children, and the communities.

President Bush (1988) stated:

The single most important issue arising from the changes in our workforce is child care... Today, child care is nothing short of a family necessity...We must find a way to put greater range of choices in the hands of low income parents - because they face the greatest difficulty in meeting the demands of work and family...

The past two decades of great change have contributed to the growing need for child care in the United States. Many women have entered the workplace full-time and permanently because they either have to work or want to work. It is important to today's women to have a career and be successful. These women want it all including children, and they do not feel it necessary to give up their jobs to raise their children at home. This is evidenced by the "Supermom" phenomenon. The growing majority of single parents has also brought about this need for day care. With the high rate of divorce in this country, the number of women opting to bear children without marriage, and the impetus of the women's movement, care for our young has become a major problem. Poverty has also affected this

issue with the decline of real wages since in many families both parents are forced to work. Many women who only make minimum wage find that their whole paycheck goes to day care defeating the purpose for working and leaving them with little left over to feed and house themselves and their families. It is evident that the United States needs a child care policy to aid these families with their diverse needs (Garrett & Lubeck, 1988, p.31).

The United States was the last of the developed nations in the world, encompassing sixty-seven countries, to provide family or child allowances in the form of cash benefits to supplement income (Garrett et al, 1988, p.31). Most European countries guarantee jobs, seniority, and pension entitlement to parents who leave work for an average of six months to one year after childbirth or adoption. The majority also offer cash benefits through their social security system for wage replacement. In France, for example, parent's jobs are protected for a minimum of two years if they choose to take a leave of absence as compared to two to three months in the United States if the mother is fortunate. Additionally, mothers in France receive sixteen weeks of paid maternity leave. All home caregivers must be

licensed, and the government ensures affordable care in child care centers. Preschool is free for all three to five year olds and is taught by teachers holding masters degrees in early childhood education ("Love Us", 1989). As shown by these actions, France believes in investing in their children and families.

Unfortunately America has been slow to act on this principle. Until October of 1990, the United States was one of only five nations in the world that lacked any form of a family policy. The other nations are South Africa, North Guinea, South Korea, and the Sudan (Garrett et al, 1988, p.31). Although the United States has presently made an effort to correct this incredible deficit, it will take much more work to reach the goals France and other countries have already attained.

At present, fifty-five and nine tenths percent of all women in the United States are in the workforce, and by the year 2000 this number will have risen to sixty-one and five tenths percent (U.S. Census Bureau, 1987). In addition, by 1995 two thirds of all new labor entrants will be women, eighty percent of whom will be in their childbearing years and expected to raise children at some point of their work life (Hayes, Palmer, & Zaslow, 1990, p.xiii). Currently over

thirty-eight million women are employed, including fifty-six and five tenths percent of married women, sixty and nine tenths percent of separated women, sixty-five and two tenths percent of single women, and seventy-five and seven tenths percent of divorced women (Hayes et al, 1990, p.385). This unprecedented increase in women entering the workforce is causing another great increase in child care demands for children needing supplementary care for some part of the day.

Presently sixty-five and two tenths percent of mothers work part or full-time (U.S. Census Bureau, 1990, p.68) with more than ten and a half million children under the age of six and eighteen million children ages six to thirteen. It is expected that these numbers will continue to rise significantly (Hayes et al, 1990, p.xiii). In 1987, for the first time ever, more than one half of mothers with infants under one year of age were either working or looking for work, creating a need for infant care for one and nine tenths million babies (Hayes et al, 1990, p.17). The number of mothers in the labor force has risen across the board with sixty-three and two hundredths percent of mothers of children age six to seventeen now in the workforce as opposed to forty percent in 1970.

In addition, the number of working mothers with children under six years of age has risen from thirty-one percent in 1976 to forty-eight and one tenths percent currently (Children's Defense Fund [CDF], 1990, p.35).

Another trend affecting this increase in need is the great number of children born to single mothers by choice or circumstance. In 1988, three hundred thirty-five out of every one thousand single women had a child, an increase from two hundred fifty-one out of one thousand only eight years earlier (U.S. Census Bureau, 1990, p.68). Fifteen thousand seven hundred and thirty-nine single women gave birth in 1988 (U.S. Census Bureau, 1990, p.68) accounting for twenty-two and one tenths percent of children with working mothers, and these women are the primary wage earners. The most distressing fact in this phenonemon is that thirty-three and six tenths percent of these families live below the poverty line, and forty-one and four tenths of those in poverty are one hundred twenty-five percent below the line (U.S. Census Bureau, 1990, p.459). This shows a growing, intense need not only for adequate care but for affordable care. In 1988 there were only fourteen thousand nine hundred Title XX funded childcare slots to fill this tremendous need

(CDF, 1990, p.35). Although this number has been increased due to the child care bill recently passed, a large deficit remains.

At present there are twenty-six and a half million children with working mothers. According to the Census Bureau two million of these are latch key children. These children regularly spend some period of time during the day without adult supervision proving that there is a deficit in before and after school care (Lande, Scarr, & Gunzenhauser, 1989, p.13). This lack of care can cause many serious and long term effects including increased fearfulness and loneliness, heightened vulnerability to peer pressure, and a greater likelihood of substance abuse (CDF, 1991, p.38). These poor social, emotional, and cognitive outcomes along with behavioral difficulties and health problems are associated not only with latch key children but also with any child who does not receive adequate care whether at home or in a child care facility (Hayes et al, 1990, p.xiii).

When the total number of children with working mothers is broken down into types of care, the findings show that seventeen and eight tenths percent are cared for in their own home by a relative or nanny, fourteen and four tenths percent are cared for in someone else's

home, nine and one tenths percent are in a child care facility, fifty-two and two tenths percent are in school, one and eight tenths percent cares for his/herself, and a parent cares for the remaining four and seven tenths percent (King & Mackinnon, 1988, p.229-230). One factor influencing the type of care a parent chooses is the age of the child. After further examination of the statistics on care for children younger than five, researchers found that forty-six percent of these children are cared for by relatives; six percent are cared for by an in home caregiver, twenty-two percent are in family day homes; while twenty-five percent are in nursery schools, preschools, and organized child care facilities (CDF, 1991, p.38). The evidence as to what type of care is superior is very ambiguous and tends to vary depending on the quality of care, regardless of the form the care embodies.

When affordable and possible, care at home by a parent, relative, or nanny is generally preferred so the child's schedule and his surroundings will not be disrupted. Currently three and seven tenths million children under fifteen years of age are cared for only by their parents. This is arranged by flexible work shifts where one parent is always able to be home with

the children (Hayes et al, 1990, p.149). In many cases one parent works night shifts so that he/she can be home during the day. In addition, parents in some fields are able to adjust their schedule so as to work at home or work long hours on the weekends when the other parent is off duty. One example of this is hospital work where it is possible to work three, twelve hour shifts beginning Friday at three p.m. and ending Sunday and then be off Monday through Thursday. In addition to those cared exclusively by a parent, another three and one tenths million children are cared for at their homes by relatives, and twenty-six percents of children are cared for by a nanny in the home. Unfortunately, nannies and other in home caregivers are not licensed or regulated and so may have little or no training (Hayes et al, 1990, p.149-150). It is necessary in this case to interview the nanny candidate extensively and check his/her references.

In the majority of states, family day homes are also not regulated unless they receive state or federal funds. It is estimated that there are one and eight tenths million unregulated providers of this type and only one hundred ninety-eight thousand and two hundred fifty-seven licensed caregivers (Hayes et al, 1990,

p.151). These providers can be divided into three main categories. The first large group of caregivers is young white mothers in their twenties and thirties who care for other children along with their own and usually discontinue this service after their own children begin school. The second group consists of women in their forties and fifties who only care for one related child and tend to provide care only until the related child is no longer in need of care. The third group is made up of women in their thirties to fifties who only care for unrelated children and provide care as a career, not a temporary job (Hayes et al, 1990, p.152). As of 1988, only twenty-seven states required some form of licensing for these family day homes while twenty-three states did not have any formal procedure. Thirteen states offer voluntary registration while six have a certification process (Hayes et al, 1990, p.152). In addition, twenty-two states exempt from regulation and inspection family day care programs serving fewer than five unrelated children (CDF, 1991, p.39). This lack of regulations affects the quality of care in other ways also. For example, thirteen states do not require children in family day homes to be immunized against preventable childhood diseases, and nineteen states allow five or

more infants per adult. This ratio should not exceed four to one according to the Children's Defense Fund. Even more horrifying is the fact that twenty-nine states do not guarantee a parent's right to visit their child's family day home unannounced, and thirty-five states require no training whatsoever for staff in family day homes (CDF, 1991, p.40). The nation's and individual state's huge deficit in regulations illustrate a lack of care and investment in our children and our future.

Child care centers receive more regulation and licensing restrictions than any other form of care but this area is still in need of improvement (CDF, 1991, p.39). As of 1986, an estimated sixty-two thousand and nine hundred eight-nine centers care for a maximum of two and one tenths million children. One of the main advantages of centers is the grouping of children by age and development (Hayes et al, 1990, p.157). This allows children the freedom to grow and learn at their appropriate and individual rate. Unfortunately not all states work toward the goal of quality care in centers. Thirty-two states do not require any training for the staff in child care centers, and Texas allows a maximum of five infants per child care worker which is higher than the national median. Texas, in fact, lags behind

in its effort towards quality care and better regulation (CDF, 1990). According to federal guidelines, states are only required to regulate centers which receive public funds (CDF, 1991, p.39) and unfortunately the majority of states only act to accomplish the bare minimum.

An adequate child care system should cover three main, necessary goals encompassing the achievement of quality in out of home child care services and arrangements, improved accessibility to this care, and affordability for the general public (Hayes et al, 1990, p.xiii). Examination of the first goal reveals that presently forty-three percent of children in out of home care are unprotected by state regulations (CDF, 1991, p.39). This is distressing because regulations are necessary to the attainment and conservation of quality care. Poor and inadequate child care can have many long lasting effects on future development. In order to diminish the likelihood of negative outcomes, nurturing, trained, and stable staff with sufficient time to interact with the children and build positive, mutual attachments is needed. Good health, nutrition, and safety guidelines in addition to an appropriate and safe physical environment should also be created and enforced. Developmentally appropriate activities with a

sensitivity to cultural bias and strong parental involvement should be stressed as well (CDF, 1991, p.38). Child care training for caregivers is extremely important and has been correlated with positive outcomes although twenty-three states require no preservice training (Hayes et al, 1990, p.158). This type of high quality care has been shown to help compensate for a variety of deprivations which children may suffer especially if they grow up in poverty (CDF, 1991, p.40).

In order to reach this goal of quality out of home care and to protect the children, states must write sufficient regulations and enforce them effectively. Regular inspections of child care settings and swift responses to complaints is fundamental to enforcement (CDF, 1991, p.41). In spite of this need, eighteen states including Texas fail to accomplish this. A lack of sufficient government staff to enforce the regulations make facilities and complaints almost impossible to monitor. Most of these state employee's caseloads are twice the recommended levels (CDF, 1991, p.41). The states also must reduce waiting lists for care, regulate health and safety procedures, increase salaries for child care, track each state and local government's use of public funds to ensure that funds

are used to meet the most pressing needs, and fund referral and resource offices (CDF, 1991, p.49). Until these needs are initiated in some form, the overall quality in care can not improve.

One major influencing factor to lack of quality care is low salaries for child care workers. In 1987, more than one half of all workers in child care settings earned less than five dollars per hour, a sum which is considerably less than the wages of workers in other fields with comparable education levels. When combined with the lack of benefits and stressful working conditions associated with child care jobs, this creates a significantly high turn over rate among employees. Because these workers are often disgruntled and quit the moment a better opportunity arises, children are affected negatively. Positive attachments between caregivers and the child are slow and difficult to form, and the children are disturbed by the worker's conflict and frustrations. As of 1989, only eight states had attempted to improve this situation (CDF, 1991, p.41).

The second goal of an adequate child care system is to improve accessibility to quality child care services for families in various social, economic, and cultural circumstances (Hayes et al, 1990, p.xiii).

According to the Census Bureau, in 1982 more than twenty-five percent of mothers of preschool children were not in the labor force because they could not find satisfactory child care at a reasonable cost (CDF, 1991, p.42). A Gallup poll in August of 1989 revealed that only twenty-eight percent of parents feel satisfied with the available care (CDF, 1991, p.42). Quality child care should address the needs of all children no matter what race, creed, income bracket, or social class they belong.

Unfortunately, the poor pay the highest percent of their income for the least adequate care. Low income families pay approximately twenty-three percent of their gross annual income for child care compared to the nine percent upper middle class families pay ("Love Us", 1991). Due to the recession in the United States the number of poor families is increasing notably. In fact a child in America is born into poverty every thirty-five seconds (CDF, 1991, p.5) resulting in twenty percent of American children living below the poverty line. In the South, this number rises to twenty-three and four tenths percent of children and of these families seventeen and a half percent are one hundred twenty-five percent below the poverty line (U.S. Census Bureau, 1990, p.459-460). In Texas,

eleven and one tenths percent of all families are poor compared to nine and six tenths percent in the United States as a whole (U.S. Census Bureau, 1990, p.458). Both of these numbers are too high creating a need for every state and the nation to help compensate for this deficit. As the poverty line for a family of two is an annual income of only eight thousand and four hundred twenty dollars, for a family of three is ten thousand and five hundred sixty dollars, and for a family of four is twelve thousand and seven hundred dollars; regrettably, even earning an income above this line does not guarantee the ability to pay for adequate care (CDF, 1991, p.22).

This creates the need for achieving the third major goal which is affordable care (Hayes et al, 1990, p.xiii). Fifteen to seventeen billion is spent annually on child care in the United States by government, parents, and private sources. Although this number is expected to rise to forty-eight billion by 1995, it would cost one hundred twenty- six billion to adequately care for all the children who need it(Hayes et al, 1990, p.195). The average family with a mother working spends fourteen hundred dollars per year on care. After eliminating the families that receive free care from a relative, this amount rises to

two thousand and one hundred dollars per year (Garrett et al, 1988, p.32). In Dallas, Texas, the average annual cost of child care for a four year old is three thousand and three hundred eighty dollars per year, accounting for thirty-nine and eight tenths percent of the income of a single mother earning minimum wage. Infant and toddler care is the most expensive costing three thousand and nine hundred dollars per year in Dallas, Texas, and as high as eleven thousand dollars per year in Boston, Massachusetts (CDF, 1991, p.42). Generally, a single mother working full time for minimum wage spends forty-five and nine tenths percent of her income on infant child care in the Dallas area (CDF, 1991, p.42). The price of child care also varies according to the arrangement with center based care costing the most. The average price in an organized facility is forty-three dollars and fifty cents per week while in family day homes it is forty-one dollars and ten cents and is twenty-eight dollars and forty cents for care by a relative (Brown & Haskins, 1989, pp.40-42). This high cost can decrease a family's take home pay significantly as the median annual wage is sixteen thousand and two hundred dollars for a full time working woman (Garrett et al, 1988, p.45), twenty-nine thousand and four hundred fifty-eight

dollars for the population as a whole, and less than ten thousand dollars for one half of all single parent families (CDF, 1991, p.38).

In the United States, employers are failing to aid the families that work for them since only eleven and one tenths percent of establishments offer some form of child care benefits and only two percent of American businesses with ten or more employees sponsor child care centers (Samuelson, 1988, p.45). Almost one third of the respondents of a 1987 survey by the American Federation of State, County, and Municipal employees with a child under the age of eighteen years had been forced to give up either a job or promotion because of a lack of adequate child care (Lande et al, 1989, p.113). As of 1988 only six hundred hospitals, two hundred corporations, and one hundred public agencies provide on site care (Hayes et al, 1990, p.163). Employees claim that the main deterrents to setting up a child care program are lack of regulations, staffing problems, attainment of insurance, and the difficulty of planning (Hayes et al, 1990, p.163). The government and large companies are the most likely to provide some type of child care service. This is surprising as the Economic Tax Recovery Act of 1981 allows companies to treat child care costs as business expenses therefore

excluding them from taxable income (U.S. Bureau of Census, 1987). Another aspect of aid, fringe benefits, as offered by most companies have changed little since the Forties further emphasizing America's failure to move ahead socially and accept the responsibility that comes with a changing world. Some options that companies are beginning to experiment with include flexitime, the compressed work week, flexiyear, permanent part-time work, and job sharing (Garrett et al, 1988, p.35). These solutions will greatly help many parents by making work more flexible therefore enabling them to spend more time caring for their own children.

Before October of 1990, the Federal government sponsored several limited programs to aid working families and played a major role in funding child care, spending six and nine tenths billion dollars in assistance and on the Head Start program (Garrett et al, 1988, p.33). Head Start is managed by the United States Department of Education and aids disadvantaged children by providing social, educational, and nutritional services part day during the school year. Enrolled children regularly receive medical and dental exams and immunizations for preventable child diseases. This is very important because more than ninety percent

of all Head Start families live below the poverty line with more than seventy five percent having incomes under nine thousand dollars per year (CDF, 1991, p. 44-45). One billion dollars is spent on this program by the government each year (U.S. Department of Labor, 1988). Unfortunately this is not sufficient because Head Start serves fewer than one in six eligible children and is funded at levels less than one half of those in 1977 while the number of preschool children in poverty has soared (CDF, 1990, p.26). Although this deficit is obvious, only twenty-eight states and the District of Columbia invest any of their own funds in Head Start and other early childhood education programs despite the proof that they are very effective in reducing school failure, school dropouts, and lifetime dependency (CDF, 1990, p.35). Texas is one of the few states which does invest in these programs (CDF, 1990, p.35) although they serve only ten and seven tenths per one hundred poor children. Another program in operation is Aid to Families with Dependent Children (AFDC). This service was established in 1935 and helps needy families with children and children who have lost the support of one of their parents ("The Act", 1988, pp.262-264). The Child and Dependent Tax Credit helps working families offset work related child

care expenses by allowing them to deduct twenty to thirty percent of dependent care expenses from their tax liability("The Act", 1988, pp.262-264). This credit helps middle income families as well as the poor, helping to distribute the aid. Two other programs currently in action are the Child Care Food Program and the Title XX/Social Security Block Grant. Title XX provides two and seven tenths billion dollars per year for social service activities of which fifteen to eighteen percent is used for child care services("The Act", 1988, pp.262-264). The legislature is presently considering a proposal to expand these programs and create new policies.

The United States government has a poor over all record in dealing with child care throughout history. During the Great Depression of the 1930's, the government became quite involved when the Works Progress Administration opened seventeen hundred child care centers in 1937. The reason these centers were established was not to help women and children but to create jobs for the unemployed and the centers were closed when the need for work decreased. During World War II , federally funded centers were opened in order for women to work in war related industries and again these were closed after the need ended. This shows the

nation's policy of only offering aid when it is essential for the nations survival (Lande et al, 1989, p.114).

More recently, in the early to mid seventies child care was authorized under the Social Security Act for mothers on welfare enrolled in work programs. This was a significant step for women and child advocates. In the early 1970's, Congress authorized two billion dollars to fund the construction and operation of child care centers. Unfortunately, this bill was vetoed by Nixon. When Carter was nominated for president in 1976, he pledged to work for a comprehensive child care bill but changed his mind shortly after taking office. Another blow was dealt to child care advocates when Congress voted to suspend the Federal Interagency Day Care Regulations in 1980 therefore abdicating the United States of all responsibility for ensuring basic minimal health and safety standards. In 1981, President Reagan slashed funding sources like Title XX of the Social Security Act and eliminated CETA (Lande et al, 1989, p.114).

Although support for child care was renewed in the mid- eighties, the United States' presidents continued to fight against a national policy and only helped indirectly. Some of the deleted funds began to be

restored to Title XX, and amendments to other bills were passed to increase aid. For instance, the 1984 Human Services Reauthorization Act authorized twenty million dollars for state grants to support school age child care and child care resources and referrals (Lande et al, 1989, p.117). Congress finally realized the great need for child care assistance, and in 1986 Alan Cranston, Senate Assistant Democratic Leader, urged a new coalition to focus the attention of Congress on the child care crisis (Lande et al, 1989, p.122). Despite the fact that Congress has acknowledged the need of America's children, President Bush remains obstinate. The United States was one of a very few countries including Cambodia, Iraq, and Libya which did not sign the treaty arising from the United Nations Commission on the rights of children. Bush refused to sign on two grounds. According to him, the treaty did not go far enough to work against abortion, although the Vatican signed. Additionally, the president disagreed with the capital punishment provisions because he believes that minors should never be executed regardless of their crime. This one action proves the president's lack of commitment to children and their problems since he virtually ignored the many unarguably positive points the treaty addressed

including equal education, health care, and decreased discrimination (CDF, 1991, p.16).

The federal government and President Bush's main objection to a national child care policy is that they fear it will bureaucratize childrearing in the United States. This aversion to governmental control is related to society's adherence to the outdated ideal of a two parent family with one parent working and one parent at home. Budget problems also contribute due to the high cost of implementing child care legislation. In conclusion, the issue of who cares for children is very sensitive and government does not want to play a parental role although it is evident that intervention is necessary (Lande et al, 1989, p.125-126). Participation of every sector of society is needed to address the nation's child care shortage (Lande et al, 1989, p.128).

The policy passed in October of 1990 has the potential to completely restructure work, family, and schooling in the future. In providing federal assistance for the supervision of children whose parents are absent during the day, the legislature could have moved in one of two directions, either toward increased support for and integration of work and child care or toward the support of extrafamilial

child rearing in homes, centers, or schools ("The Act", 1988, pp. 262-264). The current advocates of child care policy would like Congress to provide financial assistance to homes and centers, ensure licensing of child care facilities, provide tax incentives for families, and lay the foundation for school based care (Garrett et al, 1988, p.33). School based care is a relatively old idea that is readdressed in the legislation. It furnishes a good solution as the facilities are already present and in good locations. In this proposal, the school would not only provide before and after school care for school age children but could be expanded to provide full day care for toddlers and summer care for all ages. To some extent this has been incorporated into the adopted legislation.

Child care has become a major issue in political campaigns as people can be reached through their children. During the 1988 presidential campaign child care finally received powerful support becoming an issue on the national agenda (Edeiman, 1990). The goals being advocated by the parents include economically feasible child care, quality care, and maternity and paternity leave to allow parents to stay at home with their infants for a period of time without

losing their jobs (Garrett et al, 1988, p.32). Legislators are realizing that they must address these concerns in order to stay in office, therefore finally allowing the issue to gain admittance to Congress in the late 1980's. The one problem people find with this is that it allows bureaucrats instead of families to control day care expenditures which discriminates against those who choose to raise their children at home and could possibly cause an inflation in child related costs (King et al, 1988, pp.229-230).

The child care issue has been clouded by a variety of conflicts, the main one being between welfare orientated and child focused sources of support. Although those below the poverty line obviously need the most aid, the government must be careful not to choose quantity over quality as it is the child who will suffer. Another issue is over expenditure. Should the nation spend a large amount per child but only cover a small percentage or have a small expenditure per child and cover a wide range of children? Safety has also caused controversy because many fear this may be forgotten as the legislation concentrates on cost and availability. For this reason, licensing of facilities has become an issue. There is also great debate in the Congress over church operated care.

Should parents who choose church affiliated care also receive aid, and should these facilities get federal assistance?(Brown, 1989, pp.40-42). These problems are best summarized as an equality issue or in other words "who to help and how much" (Gordon & Zigler, 1982). It is unclear where to draw the line.

Congress realized the problem and in 1987 began working on legislation to address this need. In October of 1990, the bill was finally passed after many hurdles due to the separate child care bills passed by the House of Representatives and the Senate and the joint committee's battle to agree on a combination of the two that would be passed by both houses and President Bush. Bush expressed his disapproval with both versions of the bill throughout the process as he would have liked only an expansion of the tax credit (Gordon et al, 1992).

The House of Representative's bill(HR3) was passed March 29,1990, by an overwhelming majority of 265 to 145 ("House Passes", 1990, pp.998-10001). It attempted to expand the tax credit for families with children, enlarge existing grant funds for child care, create a new program of aid for before and after school care, require states to set standards for child care providers, and expand the Head Start program ("House

Passes", 1990, pp.998-1001). This would have help low-income families mainly but would also have aided some middle- income children. The upper income families would not have been provided for at all under the policy which would also have provided new money for child care through an earmarked expansion of the existing Social Security Block Grant program, Title XX ("House Passes", 1990, pp.998-1001).

Financially, the bill would have authorized a four hundred fifty million dollar increase for the 1991 fiscal year and two and nine tenths billion dollars over the next five years. One hundred million dollars of this would have been spent annually on incentive grants to businesses to set up day care and to states to upgrade the quality of care ("House Passes", 1990, pp.998-1001). It would have authorized the spending of six hundred eleven million dollars in addition to the regular authorization in 1991 to expand the Head Start program to full-day and full- year. It would have also allowed some families with incomes above the poverty line to participate on a sliding fee basis. In addition, the bill would have authorized four hundred twenty-nine million dollars in 1991 for a new school based program to provide preschool and before and after school care. It would also have expanded the tax

credit and provided a new "young child" supplement for families with children under the age of six. This program would have cost eighteen and five tenths billion dollars between 1991 and 1995. In order to finance these proposals, Congress planned to make the telephone excise tax permanent and require "S" corporations to pay estimated taxes. They also decided to phase out child care tax preferences for families with incomes over seventy thousand dollars per year and eliminate credit for those with incomes over ninety thousand dollars per year ("House Passes", 1990, pp.998-1001).

The House bill required that within three years states have standards in place in the areas of child-staff ratios, health and safety protections, and group size limitations. Also within two years, all providers who receive public funds would have been required to complete an average of fifteen hours of training annually. Grants would have been authorized to states in order to fund activities aimed at improving the supply and quality of day care ("House Passes", 1990, p.999). In the case of funding for religious activities, it would have barred funding for sectarian activities except in the instance of care provided by a relative or paid for by a voucher. The

states would have been required to provide vouchers when requested by a parent. Discrimination on the basis of religion would have been prohibited in facilities receiving more than eighty percent of its funding from the government although they could have required employees to adhere to religious teachings. Facilities in which less than eighty percent of funding is public would not have been subject to these rules ("House Passes", 1990, p.999).

This bill was backed by the leadership in the House which helped it to gain the support it needed to pass against the threat of the President's veto. The main lobbyists for it were the National Association of Evangelicals, the American Civil Liberties Union, the Children's Defense Fund, and various Jewish, Presbyterian, Episcopal, and Baptist groups. The vote was divided fairly closely along party lines with Democratic sponsorship although a number of Republicans did vote for the bill. The Democrats voted two hundred eighteen for and twenty-six against while the Republicans voted forty-seven for and one hundred nineteen against showing that the issue was controversial and many Republicans did not adhere to the party line ("House Passes", 1990, p.999). In analyzing the voting in two of the largest states, it

was found that in California most of the Republicans voted for the bill going against their party while in Texas every Republican voted against it ("House Passes", 1990, pp.1024-1025). It can be seen which is the more liberal and aware state.

The Senate bill(S5) was passed on June 23, 1989, after much debate and has been termed ABC (The Act for Better Child Care). As tax bills cannot originate in the Senate, this bill had to wait patiently for the House to pass its version. ABC would have cost the United States eight and seventy-five hundredths billion dollars over the next five years and would have authorized subsidies and tax credits for child care ("House Passes", 1990, pp.1024-1025). For the fiscal year of 1990, one and seventy-five hundredths billion dollars would have been authorized. Seventy percent of the funds would have gone directly to the parents in order to provide services to families with a yearly income below the state median which is nineteen thousand and six hundred eighteen dollars in Texas ("The Act", 1989, p.1543). Of the seventy percent, ten percent would have been used to improve the quality of child care and only twelve percent could have been used to increase its availability. Also one hundred million dollars would have gone to the child care providers to

help them obtain liability insurance. The bill would have increased the 1990 authorization of one and four tenths billion dollars to one and six tenths billion dollars for the Head Start program and would have required that seven percent of the ABC funds be used for the extension of part-day programs like Head Start and after school programs (U.S. Department of Labor, 1988). Only children under the age of twelve would have been eligible under the legislation, and the state would have been required to designate a lead agency to oversee the program. Under the proposed law, the state must also have set standards for child care providers and enforced yearly inspections, also stipulated in HR3 ("House Passes", 1990, p.999).

The legislation would have made the child care tax credit refundable, therefore making it available to low income parents who do not pay taxes. It would also have created a new tax credit for premiums to help parents earning eighteen thousand dollars or less per year pay for health insurance and would have relaxed the social security earnings test exempting child care workers from it. The cost for this provision would have been eight and four tenths billion dollars between 1990 and 1994 ("The Act", 1989, p.1543).

Senator Orrin Hatch (R-Utah) and Senator Dodd (D-

Connecticut) co-sponsored the proposed legislation ("The Act", 1989, p.1543). Hatch was termed a traitor by his party for his support and involvement with the issue, but he affirmed the need for such policy. Many denied this need as irrelevant and unnecessary causing great debate when the proposal reached the floor. Many amendments were proposed and some accepted, but finally the legislation passed by a small majority. The lobbyists for this bill included the National Education Association, Children's Defense Fund, American Federation of State, County, and Municipal Employees, and the AFL-CIO. Those against were the National Child Care Association, the Heritage Foundation, and The Eagle Forum ("The Act", 1989, p.1543).

Those against these policies state that it limits a woman's choice with its regulations and fails to help those women who choose to remain at home. They also feel that it attempts to intervene directly with many restrictions which increases costs and doles out federal aid so people become dependent on the government ("The Act", 1989, p.1543). Many also feel that with this bill the government will just be spending more money that it does not have. Representative Bill Frenzel (R-Minn.) summed up these views when he stated, "What a weird, tortured way of

taking care of children, by giving them an IOU for \$30 billion" ("The Act", 1989, p.1543).

The House Education and Labor Committee and the Senate Labor and Human Resources Committee were assigned the difficult task of agreeing on a joint bill which would pass both houses of Congress and avoid President Bush's threatened veto. Meanwhile the House Ways and Means Committee and the Senate Finance Committee squabbled throughout the summer as to the budget allocation for this bill (Rovner, 1990). After much debate a compromise was reached in October, and the bill was attached to the year end budget reconciliation bill (HR 5835). It was tacked on to this must pass bill so that Bush could not veto it and therefore passed by a large majority on October 26, 1990 and was cleared October 27th. The bill allocated nineteen and one half billion dollars in new federal spending for child care over the next five years (Rovner, 1990, p.3605-3606) and combined parts of both versions.

The completed legislation is a two part bill allocating two and a half billion dollars over three years for grants to states to help improve the availability, affordability, and quality of child care. The second part of the bill authorizes seventeen

billion dollars for a tax credit entitlement package (Rovner, 1990, p.3605-3606). The Child Care and Development Block Grant (part of the grant packages to the states) was designed to help states expand and improve child care services (CDF, 1991, p.46). It appropriated seven hundred fifty million dollars in 1991, eight hundred twenty-five dollars in 1992, and nine hundred twenty-five million dollars in 1993 for the state's grants. The legislation stipulated that the states must use seventy-five percent of the funds to provide direct assistance to help eligible families (whose incomes are below seventy-five percent of the state median) pay for child care. Vouchers or contracts must be offered so that the parents may choose the care they desire. These funds may also be used to increase the availability and quality of care (Rovner, 1990, p.3605-3606). The remaining twenty-five percent of the grant funds must be divided as follows. Three fourths must be used for early childhood development (preschool education) or before and after school care. Twenty percent must be used for quality improvements in care emphasizing employee training and increased salaries for workers. The last five percent may be used for either of the above needs (Rovner, 1990, p.3605-3606). The Children's Defense Fund

advises using these extra funds for improving quality in facilities (CDF, 1991).

The federal government requires the states to establish basic standards for the enactment of this program. All providers must be licensed, regulated, or registered to receive block grant funds. Minimum health and safety standards must be instituted and all providers receiving funds must meet them. Standards must also be composed for providers to comply with concerning the prevention and control of infectious diseases, the safety of building and physical premises, and health and safety training. The states must have an efficient and effectual procedure to deal with parental complaints (CDF, 1991, p.46-47). These provisions must all be met in order for the states to receive any grant funds.

The Child Care and Development Block Grants will also be used in a variety of previous programs to help families pay for child care. Most states have at least one general state subsidized program already in use which will greatly benefit from new funds because they mostly relied previously on the limited funds of Title XX of the Social Security Act. The Family Support Act of 1988 required every state to develop a Job Opportunity and Basic Skills (JOBS) program which

provides recipients of AFDC with education, training, or employment experiences. Participants in this program are guaranteed subsidized child care while enrolled and for twelve months thereafter. The new block grants have greatly increased the slots for eligible parents (CDF, 1991, p.44). The Fred Moore Day Care Center in Denton, Texas, cares for many of the children of these parents and bases cost on a sliding fee so that the parents do not pay for more than they are able. Some pay as little as a few dollars a week.

Head Start also receives new funds from the Child Care and Development Block Grants. One and ninety-five hundredths billion dollars was authorized by Congress for 1991 and this sum could rise to seven and sixty-six hundredths billion dollars by 1994. The goal is to allow all eligible three and four year olds to participate by 1994. In addition, thirty percent of the eligible five year olds could also be enrolled (CDF, 1991, p.45). During these three years, two percent of each annual appropriation will be earmarked for training and even more will be allocated for quality improvements. Fifty percent of the funds for improving quality must be spent to enhance salaries and the other fifty percent must be used for transportation, additional staff, insurance, facility

improvements, and training. Each classroom must have one or more teachers with Child Development Associate credentials. By 1994, Head Start aims to set up parent-child centers for infants and toddlers while also working to continue the Head Start services after children begin school (CDF, 1991, p.45).

The child care legislation additionally authorizes funds to aid "At Risk" children through amendments to Title IV-A of the Social Security Act. Three hundred million dollars for use over the next five years is available to the states in order to provide for families at risk of becoming welfare dependant and who need child care in order to work. This is a capped entitlement so no annual appropriation will be made and the states are required to match the federal funds. The states may provide care directly, use a voucher system, or reimburse the family for care, and a sliding fee scale may be used. All providers must be licensed, regulated, or registered by the state unless the provider is a relative caring solely for children in the family. In order to achieve this, fifty million dollars will be authorized annually to help states improve, monitor, and enforce licensing and registration requirements beginning in 1992. For 1991, Congress appropriated only thirteen million dollars for

this program (CDF, 1991, p.47).

The tax credit portion of the bill entitles families to a tax credit of up to four hundred dollars for child care and also up to four hundred dollars for health care. Twelve and three tenths billion dollars has been authorized for five years for families with incomes below twenty thousand dollars per year. Tax credits should ease the large percentage of their income the poor pay in taxes as compared to the lesser amount higher income families owe. This legislation has laid a strong foundation for family allowances for child care for low income families.

Although this new child care legislation takes a vital, first step, it is still only a step since much more aid and regulations are needed. Regrettably not enough money has been provided by the bill because it is estimated that ten billion dollars per year would be necessary to meet the nation's varying child care needs ("Love Us", 1990). Hawkins, a democrat from California and Chairman of the House Education and Labor Committee, stated that the funding did not go far enough and "would only serve 300,000 out of the ten million latch key children in the United States" (Rovner, 1990, p.3605-3606). The legislation laid down a good foundation, but the United States' budget will

make it difficult to grow as necessary.

The bill has encountered more criticism. Some argue that it does not ease the squeeze on middle income families ("Love Us", 1990) while others are concerned with the fact that although seven hundred fifty million dollars was allocated for 1991, it was not available until September of 1991. Because it was not provided until the end of the year, only forty million was actually spent, depriving the states and citizens of seven hundred ten million dollars. These unused dollars could have helped a lot of children to receive better care (Rovner, 1990, p.3605-3606). Other complaints resulted from the government's failure to establish national standards for all providers receiving subsidies. This job has fallen to the states which will cause the provisions to vary widely from state to state ("Love Us", 1990). Many feared also that because the implementation of the grants was assigned to the Family Support Administration, a welfare agency, instead of a child development agency which runs such programs as Head Start, it could be interpreted to apply mainly to children on welfare instead of the working poor. Luckily, this last fear has not occurred("Love Us", 1990).

The administration of increased funds from the

Child Care and Development Block Grant is very complex for the individual states. The number of children in subsidized care has vastly increased due to the legislation and could soar as high as sixty thousand by 1992 from only sixteen thousand in 1989. This would cause a need for more funds, providers, and state employees. In addition, the increase in the number of families participating in the JOBS training program and the number of families who then leave the AFDC program will effect these needs (Langguth, 1991, p.23).

According to the Children's Defense Fund, each state should follow certain guidelines when implementing this new child care legislation. A broad based advisory board should be formed to enable advocates, parents, providers, and other citizens to help develop their state's plan. An appropriate lead agency should be selected to coordinate and oversee the programs. Each state's and program's compliance with the vital requirement that the new block grant funds be used only to supplement state and local child care funds must be monitored effectively (CDF, 1991, p.47). A statewide resource and referral agency serving all families should be established and basic safety and health protections should be mandated. The majority of the block grant funds should be used purely to help

families pay for child care establishing fair and realistic sliding fee scales. The agencies coordinating the various programs should also promote common policies and collaborate together. The Children's Defense Fund believes that if these basic provisions are met, the new legislation can be used quite effectively by the states (CDF, 1991, p.48).

Before the Child Care and Development Block Grant was passed, Texas' child care system was very small due in part to the minimalistic governmental principles in Texas (Kahn & Kamerman, 1987, p.63). This is appalling when the fact that this state has the third largest population in the United States is considered. Subsidized child care was mostly funded by Title XX and was limited greatly. Only one hundred and forty contracts with licensed child care providers and two hundred fifty agreements with licensed providers and registered family day homes were allowed. Less than three percent of the state's actual need for care was met by the state. This program was also very fragmented and inflexible. It was not responsive to the needs of a growing population (Langguth, 1991, p.24).

Texas began to realize the great need for subsidized care when Congress began attacking the

issue, and in the summer of 1989 delegates met to amend the current program. It was at this meeting in Austin that the concept for the Texas Child Care Management Services was invented. The new program proposed to expand child care services by nearly four hundred percent in under two years, a huge venture (Langguth, 1991, p.24). The delegates attempted to achieve a balance between child care driven by a competitive market and child care based on in depth research of child development and the positive effects supplemental care can have on a child (Langguth, 1991, p.24).

Child Care Management Services (CCMS) uses a diverse planning process to ensure that all available child care funds are used effectively and are well coordinated. The Department of Human Services' child care committee is the agency designated to administer the funds from the Child Care and Development Block Grant. This committee emphasized four elements as essential to Child Care Management Services and included making services available to everyone in need of them, urging participation by licensed and registered providers by using vendor agreements, creating a fully automated system to support the delivery system, and providing the parents with a

choice of care arrangements (Langguth, 1991, p.24). The largest obstacle to the goal of a comprehensive child care program was convincing Title XX providers to forgo their guaranteed contracts. A comprehensive plan was fortunately reached with the contractors agreeing to reduce their guaranteed funding over the period of one year. Then the program could be completed and enacted (Langguth, 1991, p.25).

Generally, the Texas Department of Human Services (DHS) purchases child care for eligible families through the Child Care Management Services giving eligible families subsidies for the child care arrangements they choose. This gives providers the opportunity to care for a more diverse group by including DHS subsidized children. These children, therefore, receive a greater continuity of care since all the DHS child care funding sources are connected and the parents and communities have easy access to these child care services because a single agency in each area coordinates all the services. In addition, the Child Care Management Services Advisory Council allows the communities to become partners in the DHS child care services ("Child Care Management, 1991, p.1).

The Texas Department of Human Services is divided

into ten regions which are then divided again into twenty-seven child care service delivery areas along the lines previously mandated by the Job Training Partnership Act. The CCMS is therefore made up of twenty-seven contracts all but four of which were competitively obtained. These contractors create a single system for subsidized child care allowing parents to contact only one agency for aid (Langguth, 1991, p.25).

The CCMS contractors enter into vendor agreements with licensed child care centers or registered family homes. They recruit and pay these vendors and send reports to DHS regularly (Langguth, 1991, p.25). Contractors must be stable and financially solid agencies with administrators and staff who understand child care. All contract staff undergo training on child care policies from the central office and take computer assisted follow up training periodically ("Child Care Management", 1991, p.1). The contractors are also responsible for determining client eligibility, doing client intakes, helping clients locate licensed and registered providers, and authorizing these care arrangements. They manage waiting lists, pay parents who arrange their own care, offer providers resources for training their staff and

improving their programs, and also coordinate with other services in the community (Langguth, 1991, p.25). The contractors have an enormous job and must never fail to follow the CCMS guidelines.

It is essential that families are provided with child care information and assistance so that they may make their own decisions regarding care. This enables parents to retain their right to choose the provider regardless of income (Langguth, 1991, p.25). A Family Support Act grant is being used to inform parents about the types of available child care including the advantages and disadvantages of each. The marketing campaign was developed by a private bank at no cost to Texas (Langguth, 1991, p.25).

CCMS providers must achieve certain qualifications in order to obtain a vendor agreement. They must be licensed or registered by the state and be free from any corrective or adverse action by DHS. Liability insurance of three hundred thousand dollars or more per occurrence must be carried by providers. The vendor agreement must be applied for with the contractor in the provider's service delivery area and the provider must abide by all the terms of the agreement ("Child Care Management", 1991, p.1-2). All licensed and registered providers are given the maximum opportunity

to participate in the program as long as they meet the qualifications and follow the regulations (Langguth, 1991, p.26).

The CCMS secures an integrated system in which to manage the complex child care funds and leaves an audit trail for the state and federal government to follow. All DHS child care funds are disbursed by the contractors who pay the vendors or the parents and are then reimbursed by DHS. The vendors are paid their published rates up to a maximum set by DHS for each delivery area. These rates are limited to seventy-five percent for the prevailing market rate ("Child Care Management, 1991, p.1). Parents arranging their own care are paid directly by the contractor.

A computer system was developed to coordinate the services and was installed by DHS regional automation staff in every contract agency. This allows for a consistent level of accounting and reporting (Langguth, 1991, p.25). The automated system was designed with an "open architecture approach" in order to accommodate later program expansions and enhancements. The two major functions fulfilled include client services and billing and reporting. Client services enables each contractor to maintain a case and vendor data base while also linking clients with an available child care

vendor and continuing a resource and referral system. Billing and reporting electronically registers clients on the Department of Human Service's eligibility system and generates payments to vendors and parents. It also transfers claims data to the agency (Langguth, 1991, p.26). A series of checks and balances was built into the system in order to deter the assignment of children to facilities operated by the contractor unless freely chosen by the parents (Langguth, 1991, p.27). The automated system is regularly inspected and updated as necessary.

In addition to the DHS regional staff who oversee the CCMS system ("Child Care Management", 1991, p.2), each contractor receives advice, suggestions, and information from the community through the Local Child Care Planning Council. This council represents the geographic, ethnic, and economic interests in the area and each type of child care provider. The councils meet regularly as an integral part of the system, assisting in the planning process and performing as a check and balance system (Langguth, 1991).

This program, currently being developed and used in Texas, is working effectively to help solve the great need for child care. The working poor are now able to find affordable care at well-run, quality centers. The

major advantage to this program under the new United States legislation is the parent's right to choose the type of the care they desire and the actual caregiver they will use. Texas is continuing to reassess and improve their services as necessary through the legislature, DHS, contract and vendor staff, and the communities. The only area Texas' program lacks in is in regulations to enforce quality improvements is the areas of health, safety, disease prevention, and staff to child ratios. These areas must be improved and standardized for Texas to achieve to a quality child care program.

According to President Bush (1988),

The issues in child care are simple: how to provide a nurturing, safe, and affordable environment...America's working couples, America's children deserve our attention.

Although Bush did little to accelerate the adoption of a national child care policy, the United States now has a working program which despite its many limitations, is helping the children and families desperately in need of affordable, accessible, quality care.

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