



National Conference of State Legislatures  
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NEWS FROM THE STATES

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**State legislatures enact many early childhood policies during 2001 sessions**

Key child care and early education trends in state legislation include an array of financing mechanisms, basic regulatory provisions, preschool expansions, and quality improvements in the form of professional development and training for providers. To view the language of these laws, you can visit each state's legislative Internet page. The state pages are linked from NCSL's Web site, [www.ncsl.org](http://www.ncsl.org) under "State Legislatures" and "Internet sites."

**Financing**

State legislatures continued to expand financing for early childhood services in several ways during the past year. At least four states (*Iowa, Kentucky, New York* and *Texas*) enacted laws providing grants to programs. Some states (*California, Iowa, Kentucky* and *Texas*) expanded funding through local means. Several states (*Illinois, Montana, Nebraska* and *Oregon*) created or expanded tax credits for employers to support the care and development of young children. Legislatures in two states (*California* and *Iowa*) directed loan funds to improve child care services. Two state legislatures (*Arkansas* and *California*) established non-profit organizations to administer child care funds or improvements.

**Low-Income Families' Issues**

As in previous years, state legislators enacted laws aimed at improving access, affordability and quality child care for children from low-income families. Several state laws promoted child care access to Temporary Assistance to Needy Families (TANF)-eligible or income-eligible families through strategic planning (*Virginia*), a state assurance (*Maine*) and a waiting list protection (*Connecticut*). Legislatures in two states addressed the implementation of tax proceeds for low-income child care, including taxes on tobacco (*California*) and on alcohol (*Arkansas*). Two states enacted legislation in 2001 that authorized

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higher child care reimbursement for accredited child care (*Maine, New Mexico*). This follows a trend in other states. Several new state laws provided for local implementation of child care subsidies. Other key issues addressed by state laws enacted this year include expanded legislative oversight of Child Care and Development Block Grant (CCDBG) plans (*Minnesota*), support for families during nontraditional hours (*Texas*), child care coordination with preschool systems (*Louisiana, Texas*), and improved quality for low-income child care (*Maine, New Mexico*).

### **Preschool**

Several states (*Louisiana, Nebraska, New Jersey and Virginia*) enacted laws that either established and funded a preschool program or expanded support for preschool. Other laws focused on developing appropriate preschool teacher qualifications and compensation (*New Jersey, Oklahoma*), requiring state technical assistance for prekindergarten programs, establishing performance measurements, allowing for full-day services, specifying eligibility for preschool, adding funding options for facilities and increasing health services. A new *Texas* law requires exploration of early childhood system coordination approaches.

### **Infant/Toddler Care and Development**

In 2001, legislators continued to emphasize care and development services for infants and toddlers (children under age 3). Newly enacted laws focused on expanding funding and coordination (*Minnesota, Texas*), funding services for very young children with disabilities (*Hawaii, Indiana*), and health and safety standards for this population (*Texas, Washington*). Enacted legislation identified Early Head Start, TANF and increased child care reimbursement rates as key funding sources for infant and toddler child care and family support services. Some enacted laws (*Texas, Washington*) required the state to more actively ensure the health and safety of children under age 3. Legislatures in a few states also addressed services for parents who are staying at home with their infants, such as family leave (*Minnesota, Oregon*). In *Minnesota*, legislators increased the reimbursement rate for the state's At-Home Infant Care Program. *Oklahoma* legislators enacted a statute allowing state employees to use accrued sick leave

for all family and medical leave purposes and to donate unused leave time to co-workers in need.

### **Regulations**

Ensuring that children in child care are safe was again the major theme for enacted laws on child care regulations this year. Several states (*Arkansas, Louisiana, Vermont and Washington*) enacted laws to clarify and support safety of children's products. Other safety measures included protections against pesticides (*New York*), radon and dangerous playgrounds (*California*). Several states (*Colorado, Maryland, Nebraska and Oregon*) established laws that strengthened regulatory enforcement in various ways. In addition, 13 states tightened background checks—some for volunteers or relatives of in-home care providers. Some state laws increased the number of convictions to disqualify a provider and some laws required informing parents about a provider's background check. Two states (*New York, Ohio*) established laws to examine practices for ensuring safety in background check systems. Other new state regulatory laws addressed caregiver qualification requirements (*New Jersey, South Carolina and Texas*) and exemptions for religious-based (*Colorado, Kansas*) and irregular care (*Montana*).

### **Provider Support and Training**

Laws providing state support for training child care providers were enacted in at least four states (*Connecticut, New Jersey, New York and Texas*) in 2001. In addition, laws in some states (*Arkansas, Louisiana and Texas*) supported broader professional development activities for child care providers. Other states (*Illinois, New York*) enacted laws requiring more child care training requirements. Because of high child care worker turnover rates, several state laws (*California, Connecticut, New York and Texas*) focused on retaining providers, and some specified approaches to encourage retention through salary enhancements (*Connecticut, Louisiana, Oklahoma and Texas*). Other key related issues enacted in state legislation in 2001 include accreditation (*Maine, New Mexico*) and resource and referral services (*Arizona, Texas*).

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## School-Age Programs

Several state legislatures (*Arkansas, Maryland, Minnesota, Oklahoma and South Dakota*) added funding for school-age programs, including funds aimed at increasing ser-

vices, quality and facilities. Other new laws included both applying certain regulatory standards (*California, Florida and New York*) to after-school programs and exempting certain out-of-school time programs from regulations (*Indiana, Kansas*).

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## NCSL TECHNICAL ASSISTANCE

### Wisconsin

NCSL, the National Governors Association (NGA) and the Wisconsin Family Impact Seminars cosponsored a legislative child care and early education briefing for Wisconsin legislators, legislative staff and other stakeholders on Jan. 16, 2002, in Madison. The meeting—*Early Childhood Care and Education: What Are States Doing?*—addressed emerging issues in the early childhood arena with an emphasis on efforts being undertaken in the states. Approximately 100 participants engaged in discussions about state and national policies during the course of the meeting.

Bina Patel, policy associate with NCSL's Child Care Project, reviewed preliminary findings and policy implications of a forthcoming NCSL national survey of state legislative efforts to coordinate early education and child care programs. NCSL staff also assisted organizers of the Family Impact Seminars to identify national and regional experts on child care and early education issues. These experts included:

- Dave Riley, professor at the University of Wisconsin, who spoke about economic considerations related to child care quality and investments in Wisconsin;
- Helene Stebbins, NGA program director, who highlighted state efforts to improve early care and education and other early childhood programs; and
- Karen Ponder, executive director of the North Carolina Partnership for Children, who described the North Carolina Smart Start program.

NCSL staff also co-moderated panels, spoke to legislators at a legislative roundtable luncheon, spoke to state agency representatives at a session, and spoke to representatives

from six other states that are planning similar meetings on the role NCSL plays in public policymaking and technical assistance for legislators.

### Colorado

Through a state child care commission, Colorado legislators continued a strong emphasis on child care financing in 2001, leading to proposed legislation for 2002. In June 2001, NCSL arranged for national early childhood financing expert Louise Stoney to present a wide range of innovative financing options and strategies, including:

- Combining funding sources, including federal and state child care funds, preschool, Head Start, business contributions, parent fees and others. To support such layered funding, she suggested establishing a single early childhood budget, setting common funding standards, monitoring standards across funding streams, and consolidating reporting requirements.
- Use of both portable and direct financing approaches. Portable financing is tied to a particular child or family, and direct financing is tied to a program or classroom of children. Ms. Stoney recommends using both together, such as in the higher education and housing systems.
- Supporting families at all income levels, instead of only low-income families. She noted universal state early childhood initiatives, such as prekindergarten in Georgia. Ms. Stoney also pointed out the need for financing facilities.
- Exploring innovative funding approaches. She discussed developing a strategic child care funding plan that includes different sources, some of which other

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states have incorporated. These include fees, surcharges and “sin” taxes; earmarks on revenue; tax credits and private funds. She recommended drawing in non-traditional partners to help develop these approaches.

Ms. Stoney suggested framing early childhood issues in an economic development context. She cited a variety of state initiatives that either include developing business support (*Florida*), establishing a public/private administrative entity (*North Carolina*), and studying the return on investment of child care (*Austin, Texas*).

In October, the commission released its year one report, which recommended policy considerations for 2002 legislative proposals. These recommendations included continued support for the local consolidated child care pilot programs, attention to a quality rating system piloted by Educare Colorado, and encouragement of a public engagement campaign. In January 2002, members met again to consider a financing proposal that partly draws from Louise Stoney’s presentation and reflects Colorado’s fiscal reality. The legislation, House Bill 1297, introduced and sponsored by several members of the commission, would use CCDBG funds carried over from previous years as a one-time source of funding to support school readiness grants over three years. These funds would be available to counties participating in the local consolidated child care pilot program with a neighborhood school that is rated low-performing under the state’s school accountability reporting system. Under the bill, counties would be required to improve quality as measured by a school readiness rating. The grants could support staff education, wages or bonuses, technical assistance and classroom resources. The funds would be made available in addition to counties’ subsidy allocations.

## Pennsylvania

With the 2000 enactment of Pennsylvania’s school readiness initiative, NCSL project staff led an effort to engage state legislators in this state about the policy implications of early learning, including quality child care and pre-school programs. A 2001 informal NCSL survey of key Pennsylvania legislative staff revealed interest in a technical assistance briefing on these key early childhood issues.

In particular, legislative staff reported that NCSL’s previous technical assistance efforts, held in partnership with the Philadelphia Citizens for Children and Youth (PCCY), were helpful to legislative decisionmaking. Legislative staff in Pennsylvania supported the idea of co-sponsoring the briefing with the Education Commission of the States (ECS), which had previously worked with legislators and legislative staff from education committees.

NCSL, ECS and PCCY staff led a planning meeting with Pennsylvania legislative staff from both houses and both parties in August 2001 to identify top issues, session formats, and timing for the briefing. Key issues prioritized at the planning meeting included early childhood financing, quality, coordination between the child care and early education systems, and connections between health and mental health with early learning programs. These issues are particularly relevant in 2002 because more than 1,000 eligible Pennsylvania children are on a waiting list, and some policymakers are calling on the state to spend \$137 million in unspent federal child care funds.

Nearly 30 legislators and legislative staff, along with early childhood professionals and community members, participated in the meeting, which was held in the capitol building in Harrisburg on Nov. 13, 2001. At the briefing, NCSL project staff welcomed participants, moderated three panels, and spoke about child care and mental health linkages. Four panels, comprised of national and state speakers, covered the issues legislative staff requested at the August planning meeting.

- “Access to Child Care for All Families,” included an overview by Harriet Dichter of the United Way of Southeastern Pennsylvania, who discussed the recent Southern Regional Task Force on Child Care report on low-income issues in child care and their relevance to Pennsylvania’s approach to access. This included child care eligibility, reimbursement, copayments, tax policies and parent education. Shelley deFosset of the National Early Childhood Technical Assistance System discussed state approaches—including Iowa, North Carolina, Vermont and Wisconsin—to establishing inclusive child care for children with special needs. NCSL policy associate Julie Poppe highlighted

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state innovations—including Colorado, Michigan and Vermont—on connecting mental health services with early learning programs.

- “Systemic Approaches to Improving the Quality of Care,” included presentations that clarified what child care quality means and provided national and state strategies. Ray Collins of the National Child Care Information Center discussed state actions to develop differential reimbursement rates based on quality components such as accreditation. Alice Rose of the U.S. Air Force talked about the military’s child care system, which incorporates accreditation and training programs based on the child development associate credential. Joanne Crooms of Elwyn Inc. emphasized the importance of training specifically for children with special needs.
- “Overcoming Fragmentation: Linking Early Childhood Systems and Services” focused on states’ efforts to coordinate the child care system with the early education system, including preschool programs and Head Start. Sheila Skiffington of the Education Development Center talked about the QUILT project, which helps state policymakers examine the importance of full-day, full-year care, and about how well-funded collaborative approaches can improve program quality. Jane Wiechel with the Ohio Department of Education discussed the legislative and executive branch initiatives to connect the state’s Head Start funds with child care funds, resulting in greater public resources for both systems and increased support from both the education and human services agencies. Kathy Yorkievtz of the Pennsylvania Head Start Association described the state’s challenges and plans for systemic coordination.
- “Why Does Child Care Matter?” featured Pennsylvania stakeholders from the education, business and health care communities who discussed the importance of early learning programs to each of these fields. The panel sparked a lively discussion among the audience about strategic planning and the role of the state in supporting early learning in the home.

## Illinois

As Illinois policymakers consider increased spending to provide universal preschool to 3- and 4-year-olds, NCSL and other groups participated in an educational forum to help inform state policymakers about this and related issues. NCSL Child Care Project staff worked with the Conference of Women Legislators, the Illinois Commission on Intergovernmental Cooperation and the Institute of Government and Public Affairs (IGPA) at the University of Illinois to host a meeting on early childhood issues for legislators and other stakeholders. NCSL staff presented a national overview of state preschool financing and coordination efforts and also provided meeting and agenda planning assistance for the meeting, *Illinois Child Care—Making Connections* held in Springfield on Nov. 6, 2001. Approximately 125 participants—including legislators, legislative staff, state agency representatives, practitioners and researchers—attended the meeting. Illinois First Lady Lura Lynn Ryan spoke at the luncheon about the launch of an early learning Web site in Illinois.

Bina Patel, policy associate with the NCSL Child Care Project, provided a national overview of preschool funding initiatives and legislative efforts to coordinate early care and education. She also reported on the preliminary findings of NCSL’s 50-state survey on state early childhood coordination laws. Other panel speakers addressed topics such as including support for working parents, federal reauthorization of Temporary Assistance to Needy Families (TANF), family child care, out-of-school time care, and the Illinois child care subsidy program.

Legislators moderated all the panels, which are described below.

- Senator Lisa Madigan and Representative Andrea Moore, co-chairs of the Illinois Conference of Women Legislators, welcomed the group by discussing the importance of early care and education.
- “Supporting Working Parents: What Government Can Do Now.” Professor Marcia Meyers from the University of Washington spoke on the issue of working parents’ needs, child care, and efforts policymakers can undertake to alleviate pressures parents face.

- “Federal Reauthorization of TANF and the Child Care Block Grant.” Jennifer Mezey from the Center for Law and Social Policy spoke about reauthorization and funding for child care. Sessy Nyman from the Day Care Action Council of Illinois discussed what has worked and what has not since welfare reform. Dan Lesser from the National Center on Poverty Law addressed subsidized child care in Illinois.
- “Modes of Child Care and the Child Care Workforce.” Dawn Ramsburg, from the University of Illinois at Urbana-Champaign, highlighted trends in informal care in Illinois; Ricki Granetz Lowitz, from the Local Initiatives Support Corporation, addressed family child care homes in Illinois and recent policy changes affecting homes; and Teri Talan, of National-Louis University, spoke about child care workforce issues.
- “Out-Of-School Care.” Jennifer Brooks, Child Trends, addressed linkages between welfare reform and adolescents; Barbara Schneider from the University of Chicago discussed child care needs of teens; and Jill Bradley from the Carole Robertson Center for Learning, spoke about after-school issues in Illinois.
- “A Coordinated System of Care for Preschool Children in Illinois.” Elizabeth Evans, director of public

policy for the Illinois Facilities Fund, discussed issues related to systemic challenges in child care from a finance perspective. Margie Wallen, head of the Governor’s Task Force on Universal Access to Preschool, detailed the background of and recent actions taken by the task force in Illinois to establish a universal preschool program.

- “The Illinois Child Care Subsidy Program.” Dale Montanelli, from the University of Illinois at Urbana-Champaign, addressed the market rates, subsidies and costs of child care; George Hovanec, Illinois Bureau of the Budget, provided fiscal details of the Illinois subsidy program, and J. Lee Kreader of the National Center for Children in Poverty, presented on who is using the subsidy system in Illinois and other states.
- Keynote speaker Bridget Lamont, director of policy and development for Governor Ryan, spoke to participants about the importance of educating the public about early education and about initiatives being undertaken in Illinois.
- Linda Reneé Baker, secretary of the Illinois Department of Human Services, discussed the state’s policies on improving and expanding child care services.

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## NCSL PUBLICATIONS AND MEETINGS

### **NCSL report highlights state infant and toddler actions**

Under a grant from the A. L. Mailman Family Foundation, NCSL Child Care Project policy associate Julie Poppe co-authored, with Joan Lombardi, former U.S. Child Care Bureau director, a *State Legislative Report*, “Investing in Better Care for Infants and Toddlers: The Next Frontier for School Readiness,” about infant and toddler care and development issues. The report, which was published in October 2001, describes recent state legislative actions and policies regarding infant and toddler care and development and provides a national overview of the infant and toddler issue. The report highlights key components of a birth to age 3 system that supports early learning, includ-

ing ensuring safe and healthy care for infants and toddlers in child care settings; improving the supply of quality infant and toddler care, including training and compensating child care providers; and supporting parental involvement.

To obtain a copy of the report or more information on the infant and toddler issue, contact Julie Poppe at [julie.poppe@ncsl.org](mailto:julie.poppe@ncsl.org) or call her at NCSL’s Denver office at (303) 830-2200, ext. 163. Legislators and legislative staff can access the report on the Web at [www.ncsl.org/legis/srs/sr2610.htm](http://www.ncsl.org/legis/srs/sr2610.htm).

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## **NCSL *LegisBrief* addresses culture in early childhood education**

Under a grant from the David and Lucile Packard Foundation, NCSL Child Care Project policy associate Bina Patel published a *LegisBrief*, "Culturally Appropriate Early Childhood Education." The *LegisBrief* highlights research on the importance of cultural norms in early brain development, data on the increasing diversity of early childhood populations, and state actions to promote culturally sensitive early childhood services. Since almost 21 percent of Head Start children do not speak English as their first language, for example, this is becoming an increasingly important issue for policymakers and practitioners to address. State legislative actions to address the issue of providing culturally appropriate care ranges from developing early childhood provider training programs to specifying that family and community outreach initiatives be culturally and linguistically appropriate.

To obtain a copy of the *LegisBrief* or for more information on this issue, contact Bina Patel at [bina.patel@ncsl.org](mailto:bina.patel@ncsl.org) or call her at (303) 830-2200 ext. 331. The Web site for *LegisBriefs* is [www.ncsl.org/legis/lbriefs/legdoc2000.htm](http://www.ncsl.org/legis/lbriefs/legdoc2000.htm).

## **Annual Meeting 2001**

At the 2001 Annual Meeting in San Antonio, Texas, NCSL child care project staff organized two sessions. One focused on early childhood programs for children under age 3 and one focused on state financing strategies.

### ***Better Care for Infants and Toddlers: The Next Frontier for School Readiness***

A joint educational session between NCSL's Assembly on State Issues' (ASI) Children, Families and Health Committee and Assembly on Federal Issues' (AFI) Human Services Committee focused on state care and development policy issues for children under age 3. Speakers also addressed research findings and state actions in this area, including child care, parent education and family support initiatives. Speakers included:

- Dr. Ross Thompson, University of Nebraska, who presented findings from a recent publication *From Neurons to Neighborhoods: The Science of Early Childhood Development*, which examines early brain development research. He provided policy implications and recommendations for legislators to consider, including expanding the federal Family and Medical Leave Act; lengthening the exemption for parents with very young children from welfare to work requirements; improving child care quality, including specifically increasing child care provider compensation; and more rigorous evaluations of children.
- Senator Sandy Praeger, who discussed Kansas's recent infant and toddler policies and actions that have improved the accessibility and availability of quality infant and toddler care. These included funding Early Head Start, increasing child care slots for infants and toddlers with special needs, as well as training and compensating infant and toddler care providers. She highlighted other Kansas infant and toddler initiatives, including hearing screenings for newborns.
- Julie Poppe, NCSL policy associate, who presented on recent state infant and toddler policies, based on the findings from the NCSL report on infant and toddler care state legislation and actions (see page 6 for more information about the report).

### ***Making the Most of Your Child Care Dollars***

Legislators and legislative staff learned about innovative state policies to finance child care—including subsidies—at a concurrent session of NCSL's Annual Meeting in San Antonio, Texas, in August 2001.

Harriet Dichter of the United Way of Southeastern Pennsylvania highlighted a variety of unique state financing initiatives, that are more fully discussed in a recent financing catalog, *Financing Child Care in the United States: An Expanded Catalog of Current Strategies*, that she co-authored. Specifically, Ms. Dichter talked about:

- A legislative measure in Rhode Island to improve child care quality and retention by providing health care

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coverage to child care providers who care for a minimum number of children from low-income families.

- Connecticut's school readiness initiative for 4-year-olds that promotes child care quality through accreditation, and increases supply through financing facilities with a revolving loan fund and bonds.
- North Carolina's Smart Start, which legislators structured to give communities the flexibility to support local early childhood needs and which also promotes low-income care with a 70 percent setaside for subsidies. Ms. Dichter also discussed North Carolina's quality initiatives, including teacher education and wage increases through the TEACH program.
- A public/private partnership developed by the Florida Legislature, which provides for a dollar-for-dollar business match of state funds for low-income child care.
- Georgia's lottery that provides the funding base for the state's universal prekindergarten program for 4-year-olds.

Ann Collins of the National Center for Children in Poverty gave an overview of a recent 17-state study on states' low-income child care experiences. She noted that the large increase in state child care spending was significantly generated with TANF funds. She also pointed out that states serve only a small percentage of eligible families.

Senator Jay Dardenne of Louisiana, chairman of the Senate Finance Committee, discussed key components of his state's 2001 TANF allocations. He pointed out that the state's spending of TANF funds reflected an understanding by legislators that using this money for a broad range of related services could contribute to successful welfare reform. Services funded with TANF money in Louisiana included wraparound child care, a prekindergarten program for the public schools, and after-school programs.

### **NCSL Senior Fiscal Analysts Seminar**

In September 2001, state legislative fiscal analysts from across the country heard about early childhood education

funding at the annual NCSL Senior Fiscal Analysts' Seminar held in New Orleans. Participants also heard about a New Jersey court case requiring expanded preschool funding as part of an education requirement. The session included an NCSL overview of early education financing. Speakers included:

- Paul Tractenberg, Rutgers law professor and plaintiff in the New Jersey case, *Abbott vs. Burke*, who discussed the rationale for the case. The *Abbott* case requires the state to provide adequate education funding for the state's 30 poorest school districts. To meet this court order, plaintiffs successfully argued that the state must provide high-quality preschool programs in these districts. New Jersey served about 30,000 3- and 4-year-olds with \$313 million last year.
- Beth Smollon, program analyst with the New Jersey Office of Management and Budget, who discussed the implications of the court case for New Jersey's budget.
- Scott Groginsky, NCSL program manager, who highlighted state preschool and Head Start funding levels and approaches, programs, systems coordination and quality initiatives.

### **ASI/AFI Joint Meeting**

At NCSL's December 2001 Assembly on State Issues (ASI)/Assembly on Federal Issues (AFI) joint meeting, a panel discussed potential federal actions related to states child care policies. The session, "Child Care—A Preview of the Federal Debate," was co-sponsored by the AFI Committee on Human Services and the ASI Committee on Children, Families and Health. Speakers focused on federal child care assistance funding to states, which last year totaled about \$4 billion and was fueled largely by state redirection of federal welfare funds (Temporary Assistance for Needy Families—TANF) to child care programs.

- Cassie Bevan, of U.S. House Majority Whip Tom Delay's office, discussed key issues that members of Congress will likely consider in the 2002 reauthoriza-



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tion of both TANF and the CCDBG. These considerations include:

- Quantifying the effects of the funding on increasing the number of children served by the program;
- Demonstrating the funding's effects on improving the quality of child care programs; and
- Measuring the connection of the funds to making child care more affordable.
- Helen Blank of the Children's Defense Fund (CDF) underscored the importance of increased public support for child care and pointed out substantial drawbacks of the current system. One concern she noted was increased state reliance on federal TANF funds for child care instead of on state funds. She said that another indication of insufficient funding was the prevalence of child care waiting lists in about a third of the states, including long lists in California and Texas. Blank added that up to a quarter of families on such waiting lists return to welfare. Other child care challenges that Blank cited also are covered in CDF's new book, *A Fragile Foundation: State Child Care Assistance Policies*. These challenges include low pay and minimal training requirements for providers; state re-

ductions in child care income eligibility; and uncertainty of future TANF funding, upon which states have increased their reliance for child care spending.

- Shari Gruber of the American Public Human Services Association (APHSA) detailed increased state use of TANF for child care. Gruber outlined key reasons why states continue their focus on adequate early childhood support, including the need for child care in a struggling economy and welfare to work requirements. On behalf of state administrators, she also detailed APHSA's federal spending recommendations and rules to preserve state flexibility over use of federal funds.
- Barbara Ferguson Kamara, executive director of the Washington, D.C., Early Childhood Development Office, outlined important D.C. child care policies. Some of these policies include improving quality, such as a tiered reimbursement rate of 15 percent based on quality and support for accreditation. She noted that 40 percent of the District's child care programs are accredited. Ms. Kamara also pointed out key challenges, including shortages for child care during variable hours, which is greatly needed by low-income families, particularly among TANF leavers. She described a great need for more facilities, more infant and toddler child care programs, and more child care providers.

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## NCSL CHILD CARE PROJECTS

### **School Readiness Indicators Initiative**

To assist states with measuring school readiness, NCSL received a two-year grant from the Packard Foundation to work with selected states. The Packard Foundation, along with the Ford Foundation, has embarked on an initiative that would develop school readiness indicators to comprehensively improve the well-being of children. The project selected 16 states with teams comprised of key stakeholders, such as legislators, governor's staff, state agency staff, academic researchers, local funders and advocates. The 16 states involved in the School Readiness Indicators Initiative include Arizona, Arkansas, California, Colorado, Connecticut, Kansas, Kentucky, Maine, Massachusetts, Missouri, New Hampshire, New Jersey, Rhode Island, Ver-

mont, Virginia and Wisconsin. NCSL has agreed to provide technical assistance to at least four of the 16 states.

In addition to creating a set of measurable indicators, the School Readiness Indicators Project aims to engage state and local governments in using the indicators-based definition of school readiness to improve data tracking and reporting. Another objective of the project is to stimulate policy and programmatic actions that will improve the ability of all children to read at grade level by the end of the third grade.

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## Research and Policy Advisory Committee meeting

On Oct. 5, 2001, NCSL convened the first meeting of the Child Care Research and Policy Advisory Committee comprised of legislators, legislative staff and researchers. This committee will guide activities for a project funded by the John D. and Catherine T. MacArthur Foundation that seeks to facilitate communication between child care researchers and policymakers. Participants at this initial meeting addressed the project's three broad goals:

- To identify policymakers' needs for effective and appropriate research information and ways in which this information can effectively be distributed to policymakers;
- To identify child care issues that researchers felt policymakers should know; and
- To consider next steps for the project.

Policymakers offered perspectives on how research can better inform policymaking. They highlighted the constraints

upon policymakers' time, along with the enormous amount of material they encounter. Their suggestions for effective communication included the use of audio tapes, presentations, and written reports targeted for different levels of interest and background in child care issues. These should be brief and accessible, and should avoid dense and technical language such as discussion of statistical methods or jargon. Members of the committee also identified key child care policy issues. These included program effectiveness (important in light of difficult fiscal choices) along with descriptions of child care availability and caregiver characteristics within states.

The meeting culminated with a number of suggestions for next steps for the project. These included identifying additional key questions for policymakers and developing strategies among researchers to inform these questions. In addition, the project seeks to identify policymakers with varying levels of interest in child care issues for targeting research information as it becomes available and for developing opportunities to bring together child care researchers and policymakers.

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## AFTER-SCHOOL PROJECT

The NCSL After-School project, funded by the Charles Stewart Mott Foundation, is providing information and technical assistance to state lawmakers and legislative staff on after-school issues. Other project activities include convening an advisory committee to guide the development of an NCSL legislator's guide (see below), bill tracking, and planning meetings for legislators and legislative staff.

### Texas technical assistance

In collaboration with four other Mott grantees, NCSL has provided extensive technical assistance to key decisionmakers in Texas. Since August 2001, NCSL has worked with the National Governors Association, the National League of Cities, the Council of Chief State School Officers and the Finance Project to convene three meetings on after-school issues.

NCSL convened and staffed the first meeting at the Texas capitol in Austin in August 2001 and invited policymakers, providers, advocates and other after-school stakeholders to discuss after-school issues in Texas. At a second meeting in October, held at the Thompson Conference Center on the University of Texas campus, the same group discussed the future of after-school in Texas and necessary efforts to meet the after-school needs of Texas children. Facilitated by NCSL and other national organizations, participants proposed a mission for the group and developed four sub-groups to work toward a mission and timeline to reach their goals for after-school in Texas. The sub-groups include research, quality, resources and sustainability, and public education. Each group elected chairs who will meet quarterly to report on their group's progress.

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In January 2002, the group met again, and sub-groups reported their progress to the larger group. Participants also formed a mission statement, goals and objectives to help them achieve their goals and also set future meeting dates that take into consideration the legislative schedule. Group members hope to develop a brief packet to educate and engage legislators about after-school issues in Texas.

### **California CDPAC meeting**

In June 2001, NCSL program manager Scott Groginsky presented multi-state information about the coordination of after-school regulations with child care and education standards to the California Child Development Policy Advisory Committee. This committee provides public policy recommendations to governor, Legislature and other relevant agencies. At the June meeting, members discussed various issues, including a controversial after-school bill that proposed changing some after-school regulations, such as ratios of teachers to students. The proposed regulations would have increased the number of children supervised by one teacher. NCSL staff also moderated a panel discussion on the issue.

### **Oklahoma Joint Legislative Task Force on out-of-school programs**

In October 2001, NCSL after-school project staff Michelle Exstrom and Amber Minogue presented to the Oklahoma Joint Legislative Task Force on out-of-school programs, which the Legislature created in 2001. Representative Bill Case, chair of the task force, invited project staff to present several issues, including different federal funding streams and information about other state legislatures' policies to address the after-school issue.

### **NCSL After-School advisory committee**

The NCSL after-school project advisory committee met in October to guide NCSL staff on the different projects they are completing. The committee is comprised of legislators, legislative staff, after-school providers and advocates. The group discussed an upcoming legislator's guide that the project will draft in the spring of 2002. They advised the staff on important topics for the guide and provide ideas for formatting the guide to best reach legislators.

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## FEDERAL UPDATE

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### **2002 Labor/HHS appropriations passed**

In December 2001, Congress passed the federal fiscal year 2002 Labor/Health and Human Services appropriations bill, which funds human services programs, including child care. The president signed the bill in January 2002. Important funding levels in the enacted bill include:

- **Child Care and Development Block Grant (CCDBG) and Head Start**—Increases discretionary funding for the block grant to \$2.1 billion from the FY 2001 level of \$2 billion. This increase continues and builds upon increased funding in the FY 2001 budget that had been accomplished through advance funding for the program. Congress appropriated \$2.7 billion in mandatory CCDBG funding. The total amount of CCDBG funding for FY 2002 (including federal funds, states' maintenance of effort, and states' share of matching funds) is about \$6.85 billion. The en-

acted legislation also increases Head Start funding by \$300 million. The president has proposed \$2.1 in discretionary CCDBG funding and \$2.7 billion in mandatory CCDBG funding for the FY 2003 budget, a continuation of the FY 2002 funding level.

- **Temporary Assistance for Needy Families (TANF)**—Maintains basic TANF block grant funding for FY 2002. Despite strong efforts by the states to preserve the integrity of TANF funding, however, Congress failed to act on a critical concern of the states—TANF supplemental grants, which expired at the end of FY 2001. TANF block grant funding is augmented by supplemental grants designed to benefit states that have historically low levels of welfare spending and high levels of population growth. Seventeen states have received supplemental grants. The Senate passed legislation that would have authorized the grants for one year, but there was no further action in the House. Since

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Congress did not act, no state will receive a grant this year and the program ends. Also, the TANF contingency fund was not continued and has expired.

- **Social Services Block Grant (SSBG)**—Funds SSBG at \$1.7 billion, which is a reduction of \$25 million from FY 2001 funding, and is far below the funding level of \$2.38 billion agreed to in the 1996 welfare reform law. However, states retain the ability to transfer 10 percent of their TANF funds to the SSBG.

### **Federal Dependent Care Tax Credit**

As part of the 2001 federal tax law changes, Congress increased the Dependent Care Tax Credit (DCTC), beginning in tax year 2003. The current DCTC, which had not been increased for inflation since 1981, permits families with qualifying work-related child and dependent care expenses to claim a non-refundable tax credit for a percentage of these expenses. The new law increases the maximum percentage of qualifying expenses from 30 percent to 35 percent, raises the adjusted gross income (AGI) at

which the maximum credit may be claimed from \$10,000 to \$15,000, and increases the limits on qualifying child and dependent care expenses from \$2,400 to \$3,000 for one child or dependent and from \$4,800 to \$6,000 for two or more children or dependents. Under these changes, families with an AGI of \$43,000 or less will see an increase in their maximum credit amounts, as will families at all income levels with expenses above the current limits of \$2,400/\$4,800. The new maximum credit amounts will range from \$2,100 for families with an AGI of \$15,000 or less and two or more children or dependents (\$1,050 for families with one child or dependent) to \$1,200 for families with an AGI of more than \$43,000 and two or more children or dependents (\$600 for families with one child or dependent).

For additional information about federal human services legislation that affects child care or early childhood education, e-mail Sheri Steisel ([sheri.steisel@ncsl.org](mailto:sheri.steisel@ncsl.org)) or (lee.posey@ncsl.org) or call them at NCSL's Washington, D.C. office at (202) 624-5400.

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## CURRENT RESEARCH RESOURCES

### **Guide available on appropriate childhood service delivery**

The first edition of *Cultural Competency and Gender Specific Services Resource Guide* provides information about resources, programs, research and strategies available for providing children and family services that are cultural and gender sensitive. The Oregon Commission on Children and Families, The Oregon Youth Authority, and the Oregon Criminal Justice Commission published the resource guide in 2001 as a tool for communities, with specific chapters on African American, Asian/Pacific Islander, Hispanic/Latino, Native American and gender resources. Details are available on the Oregon Commission on Children and Families Web site at [www.ccf.state.or.us](http://www.ccf.state.or.us) or by calling (503) 373-1283.

### **Brief highlights models for child care worker compensation increase**

A research brief explains two strategies for increasing child care worker compensation. *Models for Increasing Child Care Worker Compensation* (The Urban Institute, no. 8, June 2001), describes an indirect method, such as initiatives focused on training and mentoring programs, professional development or improving reimbursement rates. The direct strategy involves employee benefit programs, retention grants, wage supplements and tying child care worker wage levels to elementary teacher wage levels. For details, visit [www.urban.org](http://www.urban.org) or call (202) 261-5709. Copies are available via the online bookstore at [www.uipress.org](http://www.uipress.org).

### **Report details informal child care research**

Findings from a report, *Kith and Kin—Informal Child Care: Highlights from Recent Research*, published May 2001 by

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the National Center for Children in Poverty (NCCP), show that informal care is partly related to the educational level of parents, employment status, welfare assistance and ethnicity of a family. Informal care, or kith and kin care, is defined as child care that is provided in unregulated settings, generally by family members or friends. The report analyzed 27 informal child care studies published during the past 20 years. Information can be obtained on the NCCP Web site at [www.cpmcnet.columbia.edu/dept/nccp/kithkin.html](http://www.cpmcnet.columbia.edu/dept/nccp/kithkin.html) or by calling (212) 304-7100.

### **NCCP studies services for emotional development of young children**

*Building Services and Systems to Support the Healthy Emotional Development of Young Children: An Action Guide for Policymakers* provides key findings from research on why investments for improving social and emotional health for children are important and also details 10 action steps for policymakers and community leaders. The policy paper, released January 2002 by the National Center for Children in Poverty (NCCP), includes details about community initiatives and resource contact information. Details can be found at [www.nccp.org](http://www.nccp.org), or call (212) 304-7100.

### **Matrix summarizes child care financing methods**

The *Child Care Financing Matrix*, compiled by Louise Stoney and Karen Edwards, categorizes in chart format state financing methods and provides state examples, potential uses for funds, and dollars generated by programs. Sources of public revenue described include property taxes, "sin" taxes, crime prevention funds, private sector funds and public/private partnership initiatives. States cited include California, Colorado, Florida, Illinois, Maine, North Carolina and Ohio. The matrix can be accessed at [www.nccic.org/pubs/ccfinancingmatrix.html](http://www.nccic.org/pubs/ccfinancingmatrix.html).

### **P-16 education addressed in report for legislators**

A report released by the Education Commission of the States (ECS), *What Is P-16 Education? A Primer for Legislators*, defines the P-16 (preschool to grade 16) concept and

explains the need for this type of system. Highlighted research areas include the strengths of a P-16 educational system, how to build a P-16 system, top 10 policy questions for legislators to consider about P-16 education, and resource contact information. Information can be obtained from ECS at [www.ecs.org](http://www.ecs.org) or by calling (303) 299-3600.

### **ECS Emphasizes Early Education Issues for Policymakers**

A recent report maintains that early education and care are critical issues for policymakers to address and cites research on brain development science, shifting needs of families and cost-effectiveness. *Starting Early Starting Now: A Policymaker's Guide to Early Care and Education and School Success*, published by the Education Commission of the States (ECS), also offers information for policymakers on other state early childhood initiatives, including areas such as public support, family engagement, professional development, funding and state governance structures. The guide has contact information for topic areas and state programs presented. Contact ECS at [www.ecs.org](http://www.ecs.org) or (303) 299-3600 for details.

### **Report describes state 4-year-old prekindergarten programs**

The National Center for Early Development and Learning (NCEDL) released a report in 2001, *Education for Four-Year-Olds: State Initiatives*, describing programs in Georgia, Illinois, New York, South Carolina and Texas. The report examines how programs began, their current status, and major catalysts and barriers. A supplemental report describes similar programs in California and Ohio. Common themes among state experiences include the importance of political leadership, cooperation between professional and political leaders, and the importance of including early education initiatives within a larger education reform package. The full report is available at [www.ncedl.org](http://www.ncedl.org) or by calling (919) 966-4221.

### **Reports available on use of evaluations for early childhood programs**

The U.S. General Accounting Office (GAO) and RAND have issued reports discussing the methodology and use of

program and impact evaluations specifically related to early childhood programs. The GAO report, *Early Childhood Programs: The Use of Impact Evaluations to Assess Program Effects*, describes studies evaluating Head Start and Early Head Start. The U.S. Department of Health and Human Services (HHS) is studying early childhood programs, using impact evaluations. This report notes that many researchers believe impact evaluations are especially useful because they isolate program components when determining program effectiveness. This report is available at [www.gao.gov](http://www.gao.gov).

The RAND study, *Assessing Costs and Benefits of Early Childhood Intervention Program: An Overview and Application to the Starting Early Starting Smart Program*, identifies methodological issues related to cost and result analysis of early intervention programs. The study includes recommendations on how to assess the Starting Early Starting Smart (SESS) Program, which include translating short-term outcomes into long-term outcomes and identifying critical outcomes, as well as the helpfulness of cost analysis to policymaking. Details are available at [www.rand.org](http://www.rand.org)

### **CLASP: states relying significantly on TANF for child care funding**

Since the 1996 passage of the welfare law, states have used the Temporary Assistance for Needy Families (TANF) block grant as a significant federal funding source for child care assistance. According to a study released by the Center for Law and Social Policy (CLASP), states redirected \$3.9 billion in TANF funds to child care, compared to the \$3.5 billion available to them in federal Child Care and Development Block Grant (CCDBG) funds in FY 2000. CLASP noted that these funding actions are in the context of welfare caseload drops of more than 50 percent since 1996. In FY 2000, states transferred \$2.4 billion to the CCDF from TANF and also directly spent \$1.5 billion in TANF funds on child care. In FY 2000, all but two states reported some use of TANF for child care (at varying levels), redirecting an average of 25 percent of their TANF funds to child care. In interviews conducted by CLASP, state child care administrators described a range of positive expansions and initiatives funded by TANF money. Some administrators, however, also expressed concern about the

stability of child care systems because TANF funds may be redirected away from child care as states face economic downturns or TANF caseloads increase. For a full copy of the CLASP report or a policy brief, *The Impact of TANF Funding on State Child Care Subsidy Program*, please call or e-mail Anya Arax at (202) 906-8031 or [aarax@clasp.org](mailto:aarax@clasp.org).

### **CDF highlights states' child care assistance accomplishments and needs**

A new report by the Children's Defense Fund, *A Fragile Foundation: State Child Care Assistance Policies*, discusses states' progress in helping families afford child care and points out the importance of building on these efforts. As increasing number of families have received child care assistance, many states have required lower copayments from families and increased provider reimbursement rates. Yet, limited resources continue to compel states to make difficult choices between expanding the number of families served and the level of benefits families receive, or between serving families trying to move off welfare and those trying to stay off welfare. The report found that, in two-fifths of the states, a family of three earning \$25,000 per year cannot qualify for help. The report features state child care policies that demonstrate what can be done to support children and families when resources are available. These include guaranteeing child care services to eligible families, paying adequate provider reimbursement rates, and setting affordable parent copayments. To obtain a

#### **CHILD CARE NEWSLETTER**

Published periodically by the National Conference of State Legislatures, Suite 700, 1560 Broadway, Denver, Colorado 80202, (303) 830-2200.

**William T. Pound**  
Executive Director

Funding for this publication is provided by the David and Lucile Packard Foundation. The purpose of the newsletter is to provide legislators, legislative staff and interested parties with information about state child care and early education financing and quality policies, federal funding issues and recent research reports and resources.

Contributors to this issue include NCSL staff Scott Groginsky, Bina Patel, Julie Poppe, Amber Minogue, Lucy Dwight, Mercedes Luxion, Sheri Steisel and Lee Posey. Barbara Houlik of the NCSL child care project provided editing assistance. The NCSL Child Care Financing Advisory Committee assisted in reviewing this newsletter.



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copy of the full report or the executive summary, call Karen Schulman at (202) 628-8787.

### **New reports on child care tax credits**

The National Women's Law Center (NWLC) has several new publications on tax-based child care financing. The publications are available in the child care section at [www.nwlc.org](http://www.nwlc.org).

- *A Catalog of Tax-Based Approaches for Financing Child Care* summarizes the conclusions of a series of meetings with policy experts from various fields to address tax-based options for financing child care.

- *Credit Where Credit is Due*, (funded by the American Business Collaboration) explains how families can lower their 2001 income taxes and increase their resources for meeting their child and dependent care expenses by claiming the federal Dependent Care Tax Credit, Child Tax Credit and Earned Income Tax Credit (and parallel state tax provisions) and by participating in a Dependent Care Assistance Program.

- A third publication, (forthcoming, April 2002), *Making Care Less Taxing*, updates NWLC's earlier publication of the same name that analyzes and recommends ways to improve state child and dependent care tax provisions.

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### UPCOMING EVENTS

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#### **NCSL Assembly on State Issues (ASI) 2002 Meeting**

April 19-21, 2002, New Orleans, La.

Sponsor: National Conference of State Legislatures

Contact: (303) 830-2200, Barbara Houlik

Web site: [www.ncsl.org/public/asi02.htm](http://www.ncsl.org/public/asi02.htm)

Sponsor: Family Support America

Phone: (312) 338-0900

Web site: [www.familysupportamerica.org](http://www.familysupportamerica.org)

#### **NCSL Assembly on Federal Issues (AFI) 2002 Meeting**

May 9-11, 2002, Washington, D.C.

Sponsor: National Conference of State Legislatures

Contact: (202) 624-5400, Renae Sledge

Web site: [www.ncsl.org](http://www.ncsl.org)

#### **11<sup>th</sup> Annual Born to Learn Conference**

April 26-28, 2002, St. Louis, Mo.

Sponsor: Parents as Teachers National Center Inc.

Contact: (314) 432-4330, Sarah Lifka

Web site: [www.patnc.org](http://www.patnc.org)

#### **National Child Care Association Annual Conference**

March 7-10, 2002, San Antonio, Texas

Sponsor: National Child Care Association

Phone: (800) 543-7161 ext. 10

Web site: [www.NCCANet.org](http://www.NCCANet.org)

#### **NAEYC National Institute for Early Childhood**

##### **Professional Development**

June 9-12, 2002, Albuquerque, New Mexico

Sponsor: National Association for the Education of Young Children (NAEYC)

Phone: (800) 424-2640

Web site: [www.naeyc.org/conference.institute/default.asp](http://www.naeyc.org/conference.institute/default.asp)

#### **Biennial National Family Child Care Convention**

March 20-23, 2002, Atlanta, Ga.

Sponsor: Quality Care for Children

Phone: (404) 479-4200

Web site: [www.qualitycareforchildren.org](http://www.qualitycareforchildren.org)

#### **Head Start's 6<sup>th</sup> National Research Conference:**

##### **The First Years, Pathways to the Future**

June 26-29, 2002, Washington D.C.

Sponsor: Head Start Bureau, in collaboration with Columbia University, Mailman School of Public Health, Heilbrunn Department of Population and Family Health, and the Society for Research in Child Development

Phone: (703) 821-3090, ext. 261

Web site: [www.headstartresearchconf.net](http://www.headstartresearchconf.net)

#### **Family Support America, 9<sup>th</sup> Biennial National Conference**

April 22-25, 2002, Chicago area