

# F I N A L R E P O R T

## CHILD CARE EVALUATION STUDY COMMITTEE

January 1990

### BACKGROUND INFORMATION

The Child Care Evaluation Study Committee was established by the Legislative Council to document and review the needs of individuals and families for child day care and study the affordability and accessibility of child day care services. The Study Committee was directed to recommend appropriate public and private sector responses to meet identified needs. The Study Committee was initially granted three meeting days which were held on August 25, September 22, and October 28. Approval was given for an additional meeting prior to the start of the 1990 General Assembly if pending federal legislation affects the Study Committee's recommendations.

Members of the Study Committee were:

Senator Richard J. Varn, Co-chairperson  
Representative Florence D. Buhr, Co-chairperson  
Senator Charles Bruner  
Senator Pat Deluhery  
Senator Julia Gentleman  
Senator Maggie Tinsman  
Representative Johnnie Hammond  
Representative Joan L. Hester  
Representative Robert L. Kistler  
Representative Jane Svoboda

### AUGUST 25 MEETING

At its first meeting the Study Committee heard testimony from various interested parties and discussed goals and objectives.

Mr. Harold Poore of the Department of Human Services discussed the child care programs administered by the Department. He submitted information regarding the child care regulatory system, state spending, usage statistics, and commented on the goals established for the Study Committee.

Mr. Robert Leber, Division of the Fire Marshal, Department of Public Safety, explained the inspection and certification process for fire safety relating to child day care services. He indicated that the Division makes special efforts to work with child care providers to attain fire safety objectives within the wide range of

homes and buildings used for child care services.

Mr. Harold Coleman, Commission on Children, Youth and Families, Department of Human Rights, described the charge of the Commission. His testimony contained a number of recommendations, including expanding resource and referral services, increasing funding for services to low-income families, modifying the subsidy system to be based upon the Iowa median income, mandating registration of providers, and increasing funding for provider start-up, equipment, and expansion needs.

Ms. Virginia Petersen, Director of the Polk County Department of Social Services, described Polk County child care efforts. She highlighted the activities of ChildNet, a public/private partnership resource and referral program, county subsidy efforts for low-income families, and recommended changes in the administration of state operated programs to improve access for low-income families.

Ms. Anita Reihmann, a registered group day care provider from Marengo, described the operation of her child care service and her experiences with family day care providers in her area. She made a number of suggestions to improve programs assisting providers, increasing program support of family day care providers, and discussed problems, concerns, and costs.

Mr. Mike Knapp, Ms. Karen Thelin, Ms. Diane Butzlaff, and Ms. Agnes Kovacs of the Iowa Child Care Alliance testified as a panel regarding methods to enhance child care access, availability, safety, and quality. They made recommendations which include changing the payment structure to provide financial assistance based upon the state median income rather than poverty level, implementing a voucher system for state subsidy programs, weighting reimbursement rates to consider special needs, and assisting registered and licensed providers in a variety of ways.

#### SEPTEMBER 22 MEETING

At its second meeting the Study Committee heard additional testimony and discussed member preferences regarding potential recommendations.

Ms. Mary Schmadke, Iowa Family Child Care Association, submitted recommendations which include mandating registration of providers; mandating provider training in CPR, first aid, and general caring skills; increasing state incentives for registered providers; exempting registered family and group day care home providers from local zoning requirements; providing technical support directly to home child care providers; adding social workers to resource and referral staffs; and basing reimbursement rates upon the cost of care in registered homes.

Mr. Rod Bakken, Bureau of Food and Nutrition Programs, Department of Education described the operation of the federal child care food programs administered by the Bureau.

Dr. Dianne Draper, Child Development Program, Iowa State University, and Iowa State University Extension staff members described the role of the Extension in providing support to child care providers, information to parents, and curriculum information.

Co-chairperson Varn shared a videotape regarding on-site child care initiatives provided in New York state.

Mr. Don Kassar and Ms. Anita Smith, Department of Human Services, presented information concerning the Transitional Child Care Program and Transitional Medical Assistance programs administered by the Department. It was explained that the programs are part of welfare reform efforts to provide assistance to Aid to Families with Dependent Children (AFDC) recipients who leave the program due to earned income. Mr. Kassar responded to questions regarding lower than anticipated usage of the Transitional Child Care program.

The Study Committee discussed a summary of the recommendations submitted to the Committee at its first meeting. Consensus was reached to eliminate certain items and to further study others.

#### OCTOBER 28 MEETING

At the third meeting of the Study Committee, testimony was heard from Ms. Jackie Allen, registered child care provider, Lamoni, Iowa, and final recommendations were considered and voted upon. Ms. Allen emphasized the importance of family child care, particularly in rural areas, and cautioned the Study Committee against establishing programs or mandates which would make usage of this form of child care less attractive. The listing of recommendations selected by the Study Committee follows.

#### FINAL RECOMMENDATIONS

The Child Care Evaluation Study Committee makes the following recommendations to the Legislative Council for legislative action during the 1990 General Assembly:

#### STATUTORY CHANGES

1. In determining the number of children in both a registered and an unregistered home, the provider's children who are not

regularly in school full days shall be included in the total.

2. A registered family day care home may care for up to eleven children for a period of less than two hours if the day care home meets requirements for a group day care home which limit to six the number of children who are not regularly in school full days.

3. Subject to the method for determining the number of children in item one, unregistered day care providers shall not have, at any one time, more than the maximum number of children permitted in a registered group day care home.

4. Establish a criminal penalty for a person to operate or staff an unregistered child care service if the person would not be eligible to operate or staff a registered or licensed child care service as a result of a criminal history check.

#### SUBSIDY PROGRAM CHANGES AND OTHER INCENTIVES

5. Change subsidy programs to increase reimbursement to child care providers as appropriate to adjust for increases in the minimum wage, cost of living, and specialized care such as protective, infant, sick, evening, and special needs care.

6. Initiate statutory changes and require the Department of Human Services to make administrative changes as needed to maximize federal financial participation, reduce overly restrictive bureaucratic requirements, and provide adequate reimbursement to providers under federal/state child care programs.

#### TAX ITEMS

7. Retarget the state child care tax credit to provide greater assistance to low-income families without changing the overall cost of the credit to the state.

8. Request that the Department of Revenue and Finance project the cost of making the state child care tax credit refundable. Also request that the Department investigate restructuring the tax withholding tables to compensate for the value of the federal and state earned income and child care tax credits.

#### STATE CHILD CARE

9. The Study Committee endorses the concept of child care provided at or near the workplace. The Study Committee recommends reviewing the results of the child care survey of Capitol Complex

employees to consider establishing a child care center located at or near the Capitol Complex for state employees.

#### OTHER ITEMS

10. Increase funding to enforcement staffing to annually conduct a greater percentage of spot checks on registered homes and increase drop-in visits on licensed centers.

11. Conduct an assessment of the available supply of persons educated in child development. If a shortage exists, allocate funding to provide forgivable loans to assist in the education of child care providers for the purpose of obtaining associate and bachelor's degrees in child development and early childhood education.

12. Increase grants to child day care providers for the costs of expansion, start-up, equipment, and meeting regulatory requirements.

13. Study consistency of regulations for before and after school child care programs operated in schools.

#### RESOURCE AND REFERRAL PROGRAMS

14. Place into statute the following provisions for child care resource and referral programs:

a. The Department of Human Services is established as the administrative agency for the operation of child day care resource and referral programs statewide.

b. A resource and referral grant shall be let to either a community-based nonprofit incorporated agency or a public agency.

c. An agency must be capable of providing the following services:

- (1) Information to families on choosing child care.
- (2) Services to providers regarding appropriate program and business practices.
- (3) Information to communities regarding current availability of child care services.
- (4) Development of additional care providers in response to community needs.

- (5) Services to employers, including specialized resource and referral for employee groups and technical assistance to develop child care programs operated on or near work sites.
- (6) A substitute caregiver program for registered family and group day care home providers. Grant funds would be specially designated for this purpose.
- (7) Refer eligible providers to the federal child care food programs.
- (8) Equipment and toy loaning to providers.

d. Resource and referral services shall be made available statewide in each county. However, administrative offices shall be regionally located based upon the distribution of the child population in the region.

e. Resource and referral programs shall be encouraged to be established as public/private partnerships which coordinate with existing services, including Iowa State University Extension. Grant funds must be matched with at least 25 percent local resources which may include private donations, in-kind contributions, and public funding sources.

f. Each grantee must have either an advisory board or an incorporated board to oversee the resource and referral services. The board is required to be made up of various persons who are involved with child care.

g. The Department of Human Services shall provide central coordination of the statewide resource and referral program. Services developed and administered by DHS shall include but are not limited to all of the following:

- (1) A liability insurance pool for child care providers made available through the resource and referral agencies.
- (2) A supply and equipment purchasing pool made available through the resource and referral agencies.
- (3) Grant awards and oversight.
- (4) Annual evaluation of grantees.

h. Resource and referral programs may choose to list and provide referrals to an unregistered provider.

i. Resource and referral programs are encouraged to organize assistance to family day care providers as a three tier approach which concentrates efforts on new providers, intermediate length providers, and long-term providers as three distinct groups.

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