DATE: 1/27/98

U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES
200 INDEPENDENCE AVE., SW
WASHINGTON, D.C. 20201

PHONE: (202) 690-6311 FAX: (202) 690-8425

OFFICE OF THE ASSISTANT SECRETARY FOR LEGISLATION
HUMAN SERVICES LEGISLATION
ROOM 413 H HUMPHREY BUILDING

TO : Laura E.

OFFICE : WH-DPC

ROOM NO :

PHONE NO :

FAX NO : 456-2878

TOTAL PAGES INCLUDING COVER) : 3

FROM:

[✓] MARY M. BOURDETTE
[ ] BARBARA P. CLARK
[ ] GREG JONES
[ ] PATRICIA BRAVO
[ ] AMY LOCKHART
[ ] LAUREN GRIFFIN
[ ] LULA BARNES

REMARKS:

Pls copy to Elena, Jen & Nicole

Thanks –

Mary

To : Joan Lombardi@OAS@ACF.WDC, Carmen Nazario@ACYF.CCB@ACF.WDC, Madeline Mocko@OLAB@ACF.WDC, Lauren Griffin@ASL@OS.DC, Olivia Golden@OAS@ACF.WDC, Richard Tarplin@ASL@OS.DC
Cc : Michael Kharfen@OPA@ACF.WDC, Rose Clement-Lusi@ASL@OS.DC
Bcc :
From : Mary Bourdette@ASL@OS.DC
Subject : chafee and Dodd cc bills
Date : Monday, January 26, 1998 at 7:53:05 pm EST
Attach :
Certify : N
Encrypt : N

First Chafee newsand then onto Dodd news...

I talked to Laurie Rubiner today about ~~the~~ her boss - Senator Chafee's - child care bill mentioned in press stories over the weekend. While she will send paper later, she outlined the basic pieces of their legislation as follows:

1. Restructuring the DCTC to provide more generous assistance to lower income working families, by increasing the % of expenses allowed at the lowest end of the income scale, and phasing it out for upper income families (ending credit at somewhere between $100,000 and 110,000)

2. Make a smaller amount, perhaps half, of the amount of the DCTC available to stay-at-home parents with children under 7.

3. Double the discretionary part of CCDBG -- i.e. add $1 b per year to CCDBG

4. Business tax credit similar to Kohl

5. State Enforcement piece that will use carrot(bonus) and stick (penalty) to reward and punish states for efforts re enforcement of their own standards - somehow attached to CCDBG, so reward would be more CCDBG funds, penalty, less

6. Small pot of funds for "access" to child care

Senator Chafee will lead a group of Republicans, likely to include Chafee, Hatch, Snowe, Roberts, Specter, in introducing the bill on Wednesday. They do not have the tax pieces costed out at this time, and are unlikely to offer offsets for the bill.

They would like to discuss this further with us before or after introduction and are open to suggestions. They will send us paper on the day of introduction.

DODD -- The bipartisan bill that Senator Dodd was developing with a number of offices seems to have fallen apart for now - and as noted above, several of the groups participants are working with Senator Chafee on his version of a child care bill. Senator Dodd has now turned his attention to crafting a Democratic bill that he hopes to introduce with other Senate D's this week. While again, the details are not all sewed up, nor do we have paper, but here's whats being discussed.

1. Expanding the Block Grant -- a substantial increase in the CCDBG - similar to the $7.5 B proposed by the Admin over 5 years, also in mandatory funds.

2. Quality Fund - a mandatory fund for quality purposes - again similar to the Admin's proposal and somehow tied in with CCDBG

3. After School Funds - tied to the block grant, as well as something similar to Senator Boxer's after-school bill.

4. Expand the DCTC and make it refundable

5. some sort of tax assistance to stay at home parents of very young children

6. Kohl business tax credit similar to our proposal
and

7. Public private partnership similar to Florida model.

More later...........

MEMORANDUM

Chafee, et al. Child Care Bill 28 January 1998

Today, Senators Chafee, Hatch, Snowe, Roberts, Specter and Collins introduced the **Caring for Children Act**. While it was sponsored by Republicans, at least one of the Senators (Chafee) characterized it as a **bipartisan** bill.

The piece that helps **stay-at-home parents** is an expansion of the Dependent Care Tax Credit to a non-working parent, giving them one-half of the credit available to those who work and incur child care expenses for children **ages 0 to 3** (they noted that making the credit available to stay-at-home parents of children over 3 years would be too expensive). The bill would also phase out the credit and cap eligibility at $105,000, creating a savings to help pay for the stay-at-home piece.

The bill would also increase to $30,000 the income at which one could take the full credit and increases the credit from 30% to 50% of expenses (similar to the President's plan).

Other provisions are:
- **$1 million** annually for the Dept. Of Labor to conduct **outreach** to businesses to promote awareness of the Dependent Care Assistance Program
- Provide **20% tax credit of expenses up to $500,000** for **employers** who construct, renovate or operate on- or near-site child care facilities--max. credit of $100,000 (President's plan calls for $150,000 max. credit).
- **$50 million/year** to HHS to increase **access to information** and provide **technological assistance** to providers and workers to improve quality
- Give **bonuses** to states that **enforce standards** (through inspections) and penalize those that do not--10% increase or decrease in CCDBG
- **$60 million over 3** years in competitive **grants** administered by states to encourage **small businesses** to develop child care programs
- A GAO study to determine if liability concerns hinder availability of child care

There are no exact **cost estimates** from Joint Tax yet, but the estimates from the Senators were:
- Approximately **$17 billion** over five years for the package.
- About **$12 billion** for the **stay-at-home** DCTC piece, but a savings of about $6 billion from capping the DCTC. So a **net cost** of about **$6 billion** for these changes to the DCTC.

News From
SENATOR JOHN CHAFEE
RHODE ISLAND
505 DIRKSEN BUILDING WASHINGTON D.C. 20510-3902 (202)224-2921

FOR IMMEDIATE RELEASE
Wednesday AM, January 28th, 1998

Contact: Nicholas J. Graham
202/224-6167

CHAFEE: "CONGRESS MUST ENACT BIPARTISAN CHILD CARE LEGISLATION THIS YEAR"

Senator, Other Lawmakers, Unveil 'Comprehensive, Innovative and Balanced' Child Care Legislation

Washington, D.C. -- U.S. Senator John H. Chafee, a senior member of the Finance Committee and longtime advocate for affordable and quality day care programs, joined other lawmakers at a press conference in the Capitol this morning to unveil a comprehensive, balanced child care proposal that he said would have a positive impact on millions of children and working parents if enacted.

Chafee said the new child care bill which he and others lawmakers crafted will be a "comprehensive, responsible, balanced and pragmatic approach to a very critical and timely problem facing parents every day of their lives ".

"Last night in his State of the Union Address, the President issued a clear challenge to Congress to draft and enact legislation to improve child care for working parents across the nation," Chafee said. "I accept that challenge, and state unequivocally that we are prepared to meet that challenge with the introduction of this innovative, comprehensive child care initiative in the Senate today."

Chafee added that he believed there were many goals that the President has outlined on child care that were commendable - such as early childhood development programs, expanding Head Start, and increasing funding for the Child Care and Development Block Grant (CCDBG) program - which Chafee helped author in 1989.

"There is no question that child care is a major challenge in the daily lives of parents everywhere, in terms of both the affordability and availability of quality day care. For most families in America today, child care is not an option, but a necessity. For most working parents, child care is not a luxury, but a fact of everyday life. Furthermore, action is needed now - more than ever before on child care - because we cannot expect welfare reform to work well if we do not provide affordable, accessible and quality day care to parents making the transition from welfare to work."

- MORE -

"The current system is unfair to lower and middle income families where one parent wants to stay at home with the children," Chafee continued. "Currently, the tax code provides for a tax credit for families that place their children in someone else's care, but no credit for a parent who stays home with his or her children. This isn't fair, and it is certainly not a level playing field for many parents with children. We need to find a balance that is fair for all families. The President's proposal does nothing to address the concerns and financial needs of stay-at home parents who choose to care for children. Our proposal does, and it sets the tone and tenor for the debate on child care."

"While the refrain is popular and often heard, it's simply not enough to say that parents *should* stay at home and care for children, and call it 'family values'. We must match our rhetoric with actions - namely, financial incentives which encourage parents who want to stay at home to care for children to be able to do so. Our goal in this bill is to remove the financial barriers that currently prevent parents from making the choice to stay at home and care for children in their early, formative years."

"We also set an income limit on families who benefit from the Dependent Care Tax Credit (DCTC). Under the current system, billionaire and Microsoft CEO Bill Gates gets the same DCTC as a single mother earning $30,000, because everyone gets some credit, regardless of income. Bill Gates doesn't need the assistance. Working parents do. The President's proposal does not place any income restrictions on the DCTC, and I believe it should."

Chafee said the most important and innovative portion of the child care bill deals with offering tax incentives to parents who choose to stay at home to care for and raise their children in their early years, as well as tax incentives to businesses that provide on-site day care.

But he stressed that the second part of the new bill - addressing quality day care - was equally necessary. Specifically, the quality component will: double funding for the Child Care and Development Block Grant (an additional $5 billion over five years); require states to accelerate and improve inspections and enforce existing state health and safety standards; encourage the development of child care programs for employees of small businesses through the creation of a small business child care grant program.

As a senior member of the Finance Committee - which has jurisdiction over tax policy - Chafee will be in a position to fight for tax incentives for working and stay-at home parents; tax credits for small businesses who construct or renovate on-site or near-site day care facilities for workers; and other measures to improve day care.

The bill was introduced by Chafee and Senator Orrin Hatch (R-UT). Original cosponsors are Senators Olympia J. Snowe (R-ME), Pat Roberts (R-KS), Arlen Specter (R-PA), and Susan Collins (R-ME).

<u>**Editor's Note**</u>: An outline of the bill is attached (2 pp.)

United States Senate

WASHINGTON, DC 20510

Summary of Caring for Children Act to be Introduced by Senators Chafee, Hatch, Snowe, Roberts, Specter and Collins Wednesday, January 28th, 1998

1. Provide additional tax relief to families to increase the affordability of child care, and make it more feasible for a parent to stay at home to care for a child:

a) Amend the Dependent Care Tax Credit (DCTC) to –

i) raise the income level to $30,000 at which families become eligible for the maximum tax credit.

ii) raise the maximum percentage that parents can deduct of their child care expenses to 50 percent.

iii) reduce credit by 1% for each $1,500 earned over $30,000, phasing out credit at $105,000.

b) Extend eligibility of DCTC to families with a stay-at-home parent by presuming that a stay-at-home parent has minimum child care expenses of $150 per month; apply other rules as outlined in (a). This applies to stay-at-home parents with children age 3 or under.

Example: if one parent earns $30,000, and the other parent stays at home for one year to care for the child, they would be eligible for the following credit: (50%) x ($150/month) x (12 months) = $900.

c) Promote greater availability of the Dependent Care Assistance Program (DCAP) for families with children by authorizing $1 million annually for four years for the Department of Labor to conduct outreach to businesses to promote awareness of the DCAP program.

d) Provide 20% tax credit of expenses up to $500,000 for employers who construct, renovate or operate on- or near-site facilities for child care for their employees (for a maximum credit of $100,000).

005

2. Increase the Supply of Quality Child Care:

a) Authorize $50 million per year to increase parents' access to information and to provide technological assistance to child care providers and workers to improve the quality of child care. These funds could be used by HHS for the following purposes:

i) to collect and disseminate state-of-the art information on topics related to child care health and safety, as well as early childhood development. This information could be distributed through brochures, the Internet, a toll-free information hotline, resource and referral organizations, etc.

ii) for grants to organizations to develop and operate a technology-based child care training infrastructure to enable child care providers to receive the training, education and support they need to improve the quality of child care.

b) Require states to beef up inspections and enforce existing state health and safety standards through a carrot/stick approach. States that inspect a certain percentage of the facilities they are required to inspect under state law would receive a 10% boost in their Child Care and Development Block Grant (CCDBG) funding. Starting in the second year, states that fail to meet a minimum threshold level of inspections would receive a 10% penalty, according to the following timetable:

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d) Encourage small businesses to develop child care programs for their employees through the creation of small business child care grant program. This demonstration project authorizes $60 million over 3 years in competitive grants to be administered by the states.

e) Require federal child care facilities to comply with state health and safety standards.

f) Commission a GAO study to determine the extent to which liability concerns hinders the availability of child care. The report could examine whether fears regarding potential liability exposure deter: employers from establishing on or near-site child care for their employees; schools or community centers from allowing their facilities to be used for on-site child care; and individuals from providing child care services in their homes. The GAO would have 6 months to report to Congress

Domestic Policy Council

Post-it® Fax Note 7671		Date	# of pages ▶
To	Kevin	From	Dave Lackey
Co./Dept.	White House	Co.	Sen. Snowe
Phone #	456-5542	Phone #	48667
Fax #	456-2878	Fax #	8-1071

NEWS RE[LEASE]

OLYMPIA [SNOWE]

U.S. Senator for Maine

FOR IMMEDIATE RELEASE
Wednesday, January 28, 1998

CONTACT: DAVE LACKEY
(202) 224-5344

SNOWE TARGETS STAY-AT-HOME PARENTS IN ROLLOUT OF NEW CHILD CARE INITIATIVE

Snowe introduces Caring for Children Act with Senators Chafee, Hatch, Roberts, Specter

WASHINGTON, D.C. —U.S. Senator Olympia J. Snowe today joined a team of concerned Republican lawmakers at a Capitol Hill News Conference to introduce the Caring for Children Act, which strengthens federal child care programs, and for the first time addresses the needs of parents who stay at home with their children.

"This bill represents a bold and innovative new approach that provides assistance not only to those working parents struggling to afford quality child care, but to those parents who decide to forego a second income and stay at home to care for young children," Snowe said. "It is not about pitting one group against another, or starting a 'mommy war'. It is about helping parents do the best they can for their children, no matter what choice they make."

The Maine Senator, a leader in Congress for nearly two decades on child care issues, made her comments as the legislation was unveiled at a Capitol Hill News Conference Wednesday. The legislation is the culmination of three months of work by Snowe and Senators John Chafee (R-R.I.), Orrin Hatch (R-Utah), Pat Roberts (R-Kan.) and Arlen Specter (R-Pa.) aimed at addressing the realities that face parents today.

"Our bill respects parents' decisions and expands the choices available in a number of innovative ways. By expanding the Dependent Care Tax Credit, we make it more affordable for parents to choose quality child care, but also leave the door open for a parent to stay at home with their child. And we target our tax benefits to those who need them most: working families," Snowe said. "We provide what parents need most: choices."

"The decision of how to care for a young child is deeply personal and difficult. Many feel handcuffed by economic concerns, others worry about the safety of child care, but all face different circumstances that make the decision-making process unique. The reality is that, despite our best efforts to date to make quality, affordable child care accessible, the myriad pressures facing American families today still imperil their ability to provide the best possible care for their children," Snowe said, noting that 63% of women with children under six are in the workforce, and one of every five Mainers works multiple jobs. "Millions of families struggle with decisions over who should care for their young children," she said.

The Caring for Children Act will take steps to improve affordability and quality of child care, and to increase the stake of the business community in providing child care to employees. Notable provisions include:

- *Affordability* - The Caring for Children Act doubles funding for the Child Care and Development Block Grant, from $5 to $10 billion, to make child care more affordable for millions of low-income working families.
- *Tax credit* - The bill increases the maximum Dependent Care Tax Credit from 30% to 50% of child care costs to permit working parents with child care expenses to take a maximum tax credit of $1,200 for one child, or $2,400 for two or more children. A maximum tax credit of $900 would be available to parents who stay home for a year to care for a child aged three or younger.
- *Business commitment* - The bill provides tax credits to businesses for child care-related start-up costs of up to $500,000, and provides grants to small employers for child care.
- *Liability* - The legislation commissions a study by the U.S. General Accounting Office to determine if liability concerns are hindering the availability of child care.
- *Quality* - To ensure that every child placed in child care has a healthy and safe environment, the legislation takes a 'carrot-and-stick' approach that provides bonuses to states that meet the targeted inspection rate while penalizing those who lag far below what is expected of them.

# # #

UNITED STATES SENATOR • MAINE

SUSAN COLLINS

P R E S S R E L E A S E

For Immediate Release
January 28, 1998

Contact: Felicia Knight
(202) 224 2523

SENATOR COLLINS IS ORIGINAL CO-SPONSOR FOR GOP CHILD CARE BILL

WASHINGTON, D.C.--Senator Susan Collins is co-sponsoring child care legislation that is aimed at helping not only working parents, but also parents who choose to stay home. The bill, introduced by Senator John Chafee (R-Rhode Island), will increase the federal income tax credit available to low and middle-income parents for child-care expenses. It also creates a child-care grant program for small businesses to encourage them to develop child care programs for their employees.

"I'm happy to be an original co-sponsor of this bill," said Senator Collins, "because it recognizes the child-care problems faced by all parents, not just those who work outside the home." The child-care bill proposed by President Clinton does not allow a tax credit for parents who stay at home, many of whom are sacrificing an income while also incurring significant child-care costs.

The Chafee bill raises the income level at which working parents become eligible for the maximum tax credit from $10,000 to $30,000, and raises the maximum percentage of child care expenses which can be deducted form 30 to 50 percent.

The bill extends this benefit to stay-at-home parents with children age three and under, by applying the same eligibility guidelines and assuming minimum child-care expenses of $150 per family.

"With this bill," said Senator Collins, "greater benefits will go to more Maine families in with middle and lower incomes."

Sen. Olympia Snowe (R-Maine) is also an original co-sponsor of the Chafee bill, along with Senators Orrin Hatch (R-Utah), Sen. Pat Roberts (R-Kansas), and Sen. Arlen Specter (R-Pennsylvania).

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NEWS RELEASE

ORRIN HATCH

United States Senator for Utah

January 28, 1998

Contact: Paul Smith (202)224-9854

CHILD CARE

Eight years ago, Congress passed and President Bush signed the landmark Child Care and Development Block Grant Act. I was proud to have helped lead the effort, and I am proud of what our states have been able to accomplish since its implementation.

But, it is also clear that we must do more to help families. In my home state of Utah, more than half of the children under age 6 have either their only parent or both parents in the workforce.

The "Child Care Connection," a four-county resource and referral program, reported last year that there were five major Salt Lake zip codes that had zero openings for infants.

Utah child care officials have reported that there are too few slots generally for infants and toddlers and for special needs children.

It is my pleasure to be here today with Senators Chafee, Snowe, Roberts, and Specter, each of whom has a long track record of involvement in child care issues. We believe that we have developed a comprehensive, yet realistic, child care proposal that will augment the ability of the child care block grant to serve families in each state.

Of particular note, this proposal recognizes the choice that many families make to have one parent remain at home as primary caregiver. As important as it is to assist low- and middle-income families with necessary out-of-home child care expenses -- and our proposal will increase the Dependent Care Tax Credit for such families -- it is also important for us to realize the value of a parent in the home and that the sacrifice of a second income is also a child care expense.

Additionally, our proposal will not create major new programs in need of permanent funding. We do not intend to spend federal dollars on bigger bureaucracy in the name of expanding child care. We want available resources to be put directly in the hands of parents through tax credits and in the hands of states to address specific gaps in availability and enforcement of health and safety standards.

I am enthusiastic about the legislation we will be introducing and look foward to working toward its passage.

Summary of the "Caring for Children Act"
Sponsored by Senators Chafee, Hatch, Snowe,
Roberts and Specter

1. Provide additional tax relief to families to increase the affordability of child care, and make it more feasible for a parent to stay at home to care for a child:

a) Amend the Dependent Care Tax Credit (DCTC) to --

i) raise the income level to $30,000 at which families become eligible for the maximum tax credit.

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b) Extend eligibility of DCTC to families with a stay-at-home parent by presuming that a stay-at-home parent has minimum child care expenses of $150 per month;apply other rules as outlined in (a). This will apply to stay-at-home parents with children age 3 or under.

Example: If one parent earns $30,000, and the other parent stays at home for one year to care for the child, they would be eligible for the following credit: (50%) x ($150/month) x (12 months) = $900.

c) Promote greater availability of the Dependent Care Assistance Program (DCAP) for families with children by authorizing $1 million annually for four years for the Department of Labor to conduct outreach to businesses to promote awareness of the DCAP program.

d) Provide 20% tax credit of expenses up to $500,000 for employers who construct, renovate or operate on- or near-site facilities for child care for their employees (for a maximum credit of $100,000).

2. Increase the Supply of Quality Child Care:

a) Authorize $50 million per year to increase parents' access to information and to provide technological assistance to child care providers and workers to improve the quality of child care. These funds could be used by HHS for the following purposes:

i) to collect and disseminate state-of-the art information on topics related to child care health and safety, as well as early childhood development. This information could be distributed through brochures, the Internet, a toll-free information hotline, resource and referral organizations, etc.

ii) for grants to organizations to develop and operate a technology-based child care training infrastructure to enable child care providers to receive the training, education and support they need to improve the quality of child care.

b) Require states to beef up inspections and enforce existing state health and safety standards through a carrot/stick approach. States that inspect a certain percentage of the facilities they are required to inspect under state law would receive a 10% boost in their Child Care and Development Block Grant (CCDBG) funding. Starting in the second year, states that fail to meet a minimum threshold level of inspections would receive a 10% penalty, according to the following timetable:

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c) Double the authorization for the CCDBG (this would amount to an additional $5 billion in discretionary funding over 5 years, but would be phased in over time to keep pace with growing state capacity).

d) Encourage small businesses to develop child care programs for their employees through the creation of small business child care grant program. This demonstration project would authorizes $60 million over 3 years in competitive grants to be administered by the states.

e) Require federal child care facilities to comply with state health and safety standards.

f) Commission a GAO study to determine the extent to which liability concerns hinders the availability of child care. The report could examine whether fears regarding potential liability exposure deter: employers from establishing on or near-site child care for their employees; schools or community centers from allowing their facilities to be used for on-site child care; and individuals from providing child care services in their homes. The GAO would have 6 months to report to Congress.

NEWS RELEASE

Pat Roberts

UNITED STATES SENATOR ■ KANSAS

CONTACT: Betsy Holahan (202) 224-4774

FOR IMMEDIATE RELEASE
January 28, 1998

Roberts Holds Press Conference on Child Care Plan

"We need to protect our nation's most valuable resource — our children."

WASHINGTON, DC — Kansas Senator Pat Roberts today will hold a press conference to unveil major legislation expanding child care options for working Americans.

Roberts and a group of Republican Senators will outline the *"Caring For Children Act"* — scheduled for Senate introduction today - at a 9:30 a.m. press conference in the Capitol's Senate Radio-TV Gallery (S-325).

"We believe child care should be accessible, affordable and safe for all children," Roberts said. "Finding quality, affordable child care is one of the most pressing problems for families in Kansas and around the country."

The legislation includes expansion of the Dependent Care Tax Credit and incentives for small businesses to provide added opportunity for child care for their employees. Those provisions were first proposed by Roberts in a bill last year.

-30-

NEWS RELEASE

Pat Roberts

UNITED STATES SENATOR ■ KANSAS

CONTACT: Betsy Holahan (202) 224-4774

FOR IMMEDIATE RELEASE
January 26, 1998

Roberts' Child Care Plan Included in Senate Bill

WASHINGTON, DC -- Key provisions of Kansas Senator Pat Roberts' plan to expand child care options for working Americans are included in major legislation scheduled for Senate introduction.

The legislation being pushed by a group of Republican Senators includes expansion of the Dependent Care Tax Credit and incentives for small businesses to provide added opportunity for child care for their employees. Those provisions were first proposed by Senator Roberts in a bill last year.

"These provisions are the backbone of our legislation, which will be introduced within the next two weeks," Roberts said. "They represent a common-sense approach to helping working parents find dependable and affordable child care.

"Our goal is to expand child care opportunities without expanded government costs or intrusion in our lives.

"Child care, in the home when possible and outside the home when both parents work, goes right to the heart of keeping families strong. Unfortunately, finding quality, affordable child care is one of the most pressing problems for families in Kansas and around the country. I intend to make this legislation the highest priority."

The legislation allows families making $30,000 to take advantage of the child care tax credit, which would be phased out for families with incomes over $105,000. Additionally, it would be expanded to cover stay-at-home parents with children under age 6.

The legislation provides seed grants to small businesses and incentives for states to beef up health and safety standards.

In Kansas, only 39 (37 percent) of 105 counties meet the national standard of 25 child care slots per 100 children under age 13.

-30-

Summary of Caring for Children Act to be Introduced by Senators Chafee, Hatch, Snowe, Roberts , Specter and Collins January 28, 1998

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   d) Provide 20% tax credit of expenses up to $500,000 for employers who construct, renovate or operate on- or near-site facilities for child care for their employees (for a maximum credit of $100,000).

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d) Encourage small businesses to develop child care programs for their employees through the creation of small business child care grant program. This demonstration project authorizes $60 million over 3 years in competitive grants to be administered by the states.

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f) Commission a GAO study to determine the extent to which liability concerns hinders the availability of child care. The report could examine whether fears regarding potential liability exposure deter: employers from establishing on or near-site child care for their employees; schools or community centers from allowing their facilities to be used for on-site child care; and individuals from providing child care services in their homes. The GAO would have 6 months to report to Congress.

PAT ROBERTS
KANSAS

302 HART SENATE OFFICE BUILDING
WASHINGTON, DC 20510-1605
202-224-4774

COMMITTEES:
ARMED SERVICES
AGRICULTURE
INTELLIGENCE
ETHICS

United States Senate

WASHINGTON, DC 20510-1605

CARING FOR CHILDREN ACT
SENATOR PAT ROBERTS
January 28, 1998

I am pleased and honored to join with my colleagues to introduce legislation to help meet the child care challenges facing families around the nation. Our bill is entitled the "Caring for Children Act."

Child care, in the home when possible and outside the home when both parents work, goes right to the heart of keeping families strong. Unfortunately, finding quality, affordable child care is one of the most pressing problems for families in Kansas and around the country.

The "Caring for Children Act" takes the first steps to address this challenge through a responsible approach. This legislation expands child care opportunities without expanded government costs or intrusion in our lives. This legislation builds into the existing network without adding more government intervention or mandates. This legislation will help families that have two working parents and families that have a stay-at-home parent. This legislation will help to increase the supply of quality of child care.

First, in order to provide additional tax relief and increase affordability of child care, we expand the Dependent Care Tax Credit (DCTC) by raising the income level to $30,000 at which families become eligible for the maximum tax credit. We also raise the maximum percentage of child care expenses that parents can deduct to 50 percent. These changes make the DCTC more realistic for families that face increasing child care costs.

Increasing the income level and the percentage of child care expenses that are deductible will help families where both parents work. But, we also recognize that families who choose to have one parent remain at home have child care expenses as well. Therefore, we extend eligibility for the DCTC to families with a stay-at-home parent. This provides greater options to more families and leaves child care choices where they should be--with the family. In order to target this credit to parents who need it the most and meet our fiscal responsibilities, the credit is phased out for higher income wage earners.

Small businesses play a critical role in providing child care options to millions of working parents. Unfortunately, small businesses generally do not have the resources required to start up and support a child care center. The "Caring for Children Act" includes a short-term, flexible grant program to encourage small businesses to work together to provide child care services for employees. This program is more of a demonstration project that will sunset at the end of three years. In the meantime, small businesses will be eligible for grants up to $100,000 for start-up costs, training, scholarships, or other related activities. Businesses must continue to meet state quality and health standards. Businesses will be required to match federal funds to encourage self-sustaining facilities well into the future.

"Caring for Children" also includes provisions to provide a tax credit of expenses up to $500,000 for employers who choose to construct, renovate, or operate on- or near-site child care facilities for their employees. And, "Caring for Children" includes funding to promote greater availability of the Dependent Care Assistance Program (DCAP) for families with children. This will allow the Department of Labor to conduct outreach to businesses to promote awareness of the DCAP program.

All children deserve quality care. Although all states have health and safety standards in place, many times these regulations are not enforced. "Caring for Children" includes incentives for states to improve their inspection efforts and ensure that facilities are in compliance with their own state standards. The bill also authorizes funding for the Department of Health and Human Services to get more information in the hands of parents and help child care providers access child care training programs.

Finally, we authorize additional funding for the Child Care and Development Block Grant. This program sends federal assistance to states, permitting them to allocate resources where they are most needed in the state. We maintain maximum flexibility and allow states to make decisions about how to address their own child care challenges.

Child care is an issue that impacts each and every one of us. While parents continue to struggle to meet the constant demand of work and family, we must continue to do our part to expand child care options and protect our nation's most valuable resource, our children. I look forward to working with all of my colleagues in this important effort.

U.S. SENATOR FOR INDIANA
DAN COATS
NEWS RELEASE
407 Russell Senate Office Building, Washington, D.C. 20510-1403 (202) 224-8733

FOR IMMEDIATE RELEASE
CONTACT TIM GOEGLEIN January 29, 1998

COATS FOCUSES CHILD CARE DEBATE ON FUNDAMENTAL PRINCIPLES

Senator Announces Plans to Chair Child Care Symposium in February

WASHINGTON -- U.S. Sen. Dan Coats, Chairman of the Senate Children and Families Labor Subcommittee, and Rep. Frank Wolf, today hosted a news conference to focus the child care debate on helping parents spend more time with their children.

Also today Coats announced plans to chair a symposium on child care and parenting sponsored by the Senate Subcommittee on Children and Families. The symposium is scheduled for February 18.

Coats and Wolf believe that as Congress prepares to enter this very important debate, it is crucial that principles are driving the debate, not politics.

"Any society that cares about its future has to care about its children," Coats said. "The most important thing any of us can do in our lives is make sure our children get the love and care they need.

"As we look at child care in the coming session of Congress, I will be led by certain principles, and will encourage my colleagues to take action that truly helps children and that helps families care for their children.

"Most of the debate thus far has centered around good child care research data, but that data has been misapplied. I believe politics is being put ahead of good policy.

"There are some essential questions we must ask ourselves while considering child care policy: what is best for children; what do families really want; and what truly effective steps can be taken to enable families to provide the best care they can for their children?

"Understanding that all families and children are different, we need to know specifically what problems face at risk children -- those in poverty, those with illnesses or other special needs -- and specifically what can be done to help them.

"These qüestions need to be asked and fully-answered before we develop legislation. Too much is at stake to begin with a political agenda," Coats said.

Regarding the upcoming symposium on child care, Coats outlined his goals for that forum.

"This will be a broad and thoughtful discussion with leading experts in the field, parents, and other concerned citizens about what is best for children; and how we can insure that a majority of Americans have an option to do what is best.

"The President assumes that the most important child care initiative is more money invested in the current system. Before we commit billions of new dollars to the existing child care system, we need an ongoing discussion of the impact of child care on early childhood development, and an examination of the alternatives that best address the needs of children and the desires of parents.

"Families in America face many challenges -- and I think it does them a great disservice to impose politically expedient solutions on them simply because we are not willing to take the time to ask the right questions and then respond in a thoughtful way," Coats said.

Joining Coats and Wolf at the news conference were:

Charmaine Yoest, Family Research Council

Heidi Brennan, President, Mothers at Home

Dr. Brenda Hunter, Child psychologist

Anita Blair, Independent Women's Forum

-30-

Feb 18 Symposium on childcare

FRANK R. WOLF
10TH DISTRICT, VIRGINIA

WASHINGTON OFFICE:
241 CANNON BUILDING
WASHINGTON, DC 20515-4610
(202) 225-5136

CONSTITUENT SERVICES OFFICES:
13873 PARK CENTER ROAD
SUITE 130
HERNDON, VA 20171
(703) 709-5800
1-(800)-945-9653
(WITHIN VIRGINIA)

110 NORTH CAMERON STREET
WINCHESTER, VA 22601
(540) 667-0990
1-800-850-3463
(WITHIN VIRGINIA)

Congress of the United States
House of Representatives
Washington, DC 20515–4610

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STATEMENT OF REP. FRANK R. WOLF
CHILD CARE
JANUARY 29, 1998

We are here today to talk about families and children. Both Senator Coats and I have a long history of working in Congress to protect children and families. We focused on this issue in the early '80s when we served together on the House Select Committee of Children, Youth and Families. Dan was the ranking Republican on that special panel back when we were the minority party in the House. Shortly after he moved to the Senate, I also became the ranking Republican.

There is no more fundamental building block to a society than its families. When families are in crisis, society faces crisis. Many believe the American family has never been under greater stress and attack than it is today. From inner cities to the suburbs, families are threatened by disturbingly high rates of child abuse and neglect, drug abuse, spouse abuse, teen suicide, teen pregnancy, alcohol abuse and more. The wheels are coming off for many American families and clearly, children cannot steer clear of trouble without the guiding influence of moms and dads and a secure home life.

We are also facing a breakdown of moral values in our society that many believe has its roots in the breakdown of the family. It has been said that values aren't only taught to children--they're also caught by them. Parents need to be around their kids for them to learn, through example, the values lessons of life.

What do families today need to survive and flourish? Many say the answer is helping families deal with the twin deficits of time and money. Parents don't seem to have enough time to spend with their children or enough money to spend on just making family ends meet.

What can we as public policymakers do to help? One important step we can take is that we can develop policies to help families keep more of their hard-earned money. We can also develop policies that give moms and dads choices as they seek ways to find more time to spend with their families.

Over the years I have focused my work in Congress in developing what I call "family friendly" policies that give moms and dads those choices. In addressing this issue, I have often quoted the lyrics from the Harry Chapin song, "The Cat's in the Cradle": "When ya coming home Dad, I don't know when, but we'll get together then...."

These lyrics are not only heard on the radio, but too often heard across the country from the mouths of our children. This is due in large part to the economic pressures on today's fathers and mothers. Mothers and fathers have to work longer hours to meet the needs of their families while Uncle Sam keeps taking a bigger and bigger bite out of the family budget pie which contributes to the continuing downward spiral of the all too many statistics charting family well-being.

How can we help? I have authored legislation and long advocated "family-friendly" policies for the federal government which were a good start. Some of these now in effect as public law are:

1) Telecommuting. Allowing employees to work at home or at a central telecommuting center nearby equipped with a computer, phone, fax and other tools of the office. That allows parents to do their jobs at home or near home and gives more time to be with their families. Lengthy commutes are gone. The first federal telecommuting center was opened several years ago in Winchester in my congressional district and more are springing up as the idea takes hold.

2) Job sharing. Splitting job duties to allow employees who want to work part-time the opportunity to be in the workforce and bring home a pay check, but also to have time to spend with their families, or get an advanced degree or take care of an aging parent or fulfill other needs.

3) Leave sharing. Allowing employees to donate annual leave to help a fellow employee who needs extra time off for their own health needs or to care for family members. It kindles the spirit of community by allowing employees to help out their fellow worker and costs the employer nothing.

4) Child Care. Providing on-site or near-site child care centers in federal buildings. It was my legislation several years back that allowed child care centers to be housed in federal buildings to help federal employees and others with child care needs. There are well over 300 centers operating today where parents have the extra time during the commute to spend with their kids and are only a moment or two away during the work day so sometime they can have lunch together or be available if the child becomes ill. As you drive past the Pentagon, the child care center across the street is one of these and it is working great.

I have also encouraged corporate child care policies by bringing together child care experts and business leaders to develop cooperative child care facilities between employees and businesses. Several employers in my congressional district are partners with their employees in such operations and are well pleased with the results.

Other family friendly work-force policies help, too. I also have worked in Congress with others to implement for federal workers the policy of flextime, the staggering of work hours to allow one working parent to come in early while the other gets the kids off to school and comes in later. The earlybird gets off in time to be home at the end of the school day so the problem of "latch-key children" does not arise.

These and other efforts need to be factored in to the bottom line in what is emerging today as a full debate about the future and well-being of our children. One key, I believe, is providing choices to moms and dads. It is wise to give parents options as they make decisions about how best to raise their kids. One size does not fit all and government does not have all the best answers.

As federal legislators, we should be developing public policy that helps parents deal with the twin deficits of time and money that they face. Giving them more time to spend with their children and more money to spend on their families is a key to making things better.

We've heard in recent days a new child care proposal from the Clinton Administration. Although I don't agree with much of this plan, I think it's good that we're talking about and focusing attention on this issue. And let me say here that I can think of no harder job than being a single mom. We want to do everything we can to help her, and for many single moms, that means making sure safe and healthy care is available for her children. But we want to do everything we can to help ALL moms and dads and we want to treat ALL moms and dads fairly.

For children to catch their family values, they need to spend time with mom and dad. Probably a lot of time. In survey after survey, parents have been telling pollsters they need more time with their children. They want, and they really need, more options, more choices and more opportunities when making child care decisions.

Some say that there are some potential problems associated with putting kids in day care, particularly at very early ages. And whether that's true or not, we need to explore that. We want the best for our kids and we must recognize that what is best in one family may not be best in another. As we approach the national child care debate about the future of our country and the well-being of our children, it must be recognized that, in a perfect world, even the best day care can be no substitute for time with mom and dad.

But I believe there is a better way than the administration's day care proposal. It's a "one-size-fits-all" approach. *USA Today*'s op-ed on January 19 called it an "unfunded plan" which "won't help parents." A better idea may be to give parents more options as they make their own decisions about how to raise their kids. Americans rejected the administration's socialized health care system. And they have the common sense to reject socialized day care as well. Perhaps government should be listening more to parents rather than the other way around.

My sense is that the best way to help families is not for the government to spend another $21 billion to expand day care programs, as the president is proposing. What I propose is to provide tax relief to America's overtaxed, overburdened families. For example, let's say we increase the $500 per-child tax credit for parents with kids ages 0-6, the critical time when they are most vulnerable. We want to give that money back to our overtaxed, overburdened families. I think that's a better way and we can do it at the same or less cost than the President's plan. I bet most grandmothers and granddads agree, too. In fact, I think most Americans do.

Another thing that is really important is that we treat everyone fairly. We don't want to discriminate against anyone. We want to help everyone — parents who are working jobs outside the home, parents at home, single moms who are struggling to make ends meet — everyone.

And this includes those families with only one working parent who are struggling and barely making it because their choice has been to sacrifice other things so a parent would be there to raise the kids.

The president says we need to offer incentives to companies to help them provide family-friendly policies. Maybe we really don't have to do that. From my experience of many years on this issue, I've found that good companies are providing options for their employees, like flextime, job sharing when children are small (whereby a mom or dad shares a job with another to allow more time at home), telecommuting, and the like. And more flexibility ought to be encouraged right now, at a time of record profits and rock bottom unemployment rates. It makes good sense for CEOs to give more options and opportunities to their employees.

My good friend Senator Coats and I are here today to announce to you an upcoming Congressional Child Care Symposium, which we will hold next month, to further examine the day care questions our nation is confronting. This one-day symposium will provide an opportunity for policymakers to take another look at the broader issues, hear from experts in child-raising, and hear the social science and other research on children and day care.

Today we've invited various experts on child-rearing who will talk about child care issues, and the Family Research Council will be releasing the results of it's latest poll on day care and family time. As you listen to these speakers, keep this in mind. Isn't it better to provide parents with a wide range of child care choices, as we hope to do, rather than a single government mandated, regulated and calculated edict that tells people what they have to do? At the end, we will be pleased to take your questions. Thank you.

News

FAMILY RESEARCH COUNCIL

Gary L. Bauer
President

801
G Street, NW
Washington, DC
20001
(202) 393-2100
FAX (202) 393-2134
Legislative Hotline
(202) 783-HOME
Order Line
1-800-225-4008
Internet Site
http://www.frc.org

FOR IMMEDIATE RELEASE: Jan. 29, 1998
CONTACT: Kristin Hansen, (202) 393-2100
FOR RADIO: Rebecca Biles

CLINTON CHILD CARE AGENDA DISCRIMINATES AGAINST MOMS AT HOME

WASHINGTON, D.C. – "President Clinton's child care proposal is out-of-touch with what Americans are saying they want," Family Research Council Adjunct Fellow Charmaine Yoest Thursday at a news conference on Capitol Hill. "By ignoring the latest data on the child care choices of American parents, the President and Mrs. Clinton are misdefining the problem. As a result, they have given us a manufactured child care crisis and recycled thinly-disguised big government proposals, instead of real solutions. The real crisis American parents face today is the possibility that their hard-earned tax dollars will go to support a discriminatory child care agenda."

Yoest joined Sen. Dan Coats (R-IN), Rep. Frank Wolf (R-VA)and child care experts Thursday to discuss a pro-family approach to child care. "The central problem with the Clinton plan," Yoest said, "is that it will underwrite institutional day care for children, while ignoring the ***majority*** of American parents who care for their own children."

FRC released this week a nationwide poll conducted by Wirthlin Worldwide which found that Americans, by an overwhelming majority, still believe that *care by a child's own mother* is the single most desirable form of child care. This finding was consistent regardless of race, age, partisanship or income level. 58% of low-income women do not purchase child care.

"Recognizing that some families may need for the mother to work, Americans chose family care of some kind as the most desirable alternative to mother-care," Yoest said. "In light of the President's proposed $20 billion increase in institutional care for children, we should take particular note that ***Americans rated government-funded and commercial day care centers as the least desirable options for children***. Church-run centers, however, were rated favorably.

"The President's child care plan wrongly emphasizes institutional day care. The plan is also **egregiously discriminatory** in providing benefits only to families who pay for day care. In our country today, the majority of preschool children are cared for by their own parents: if we combine the children whose mothers are not employed, 48% of all preschoolers, with those whose fathers care for them, and whose mothers care for them at work, we find that **60.3% of all preschoolers are cared for by their own parents**. If we then add the other relatives who care for preschoolers, we find that 73.4% of American children are in family-care -- precisely what our polling data tells us that American parents want.

"Only 11% of American pre-school children, 2.2 million, are currently in day care. Why should we have such a huge new federal benefit targeted at so small a population? Why not target fathers-at-home instead? Fathers today, who take care of 1.9 million children, are just barely behind day care centers.

"Better yet, let's give tax relief to all American families and let parents themselves decide what their most pressing need is in caring for their children. Our polling data shows that this is precisely what most Americans want: 71% support tax relief to *all* families with preschool children.

"The President is touting this 'new' proposal as long-overdue attention to child care. However in October, a press release from the Secretary of Health and Human Services celebrated an increase in federal child care funding of 68% since 1993. The new proposal we need is across-the-board tax relief for all families."

FOR MORE INFORMATION OR INTERVIEWS, CALL THE FRC PRESS OFFICE

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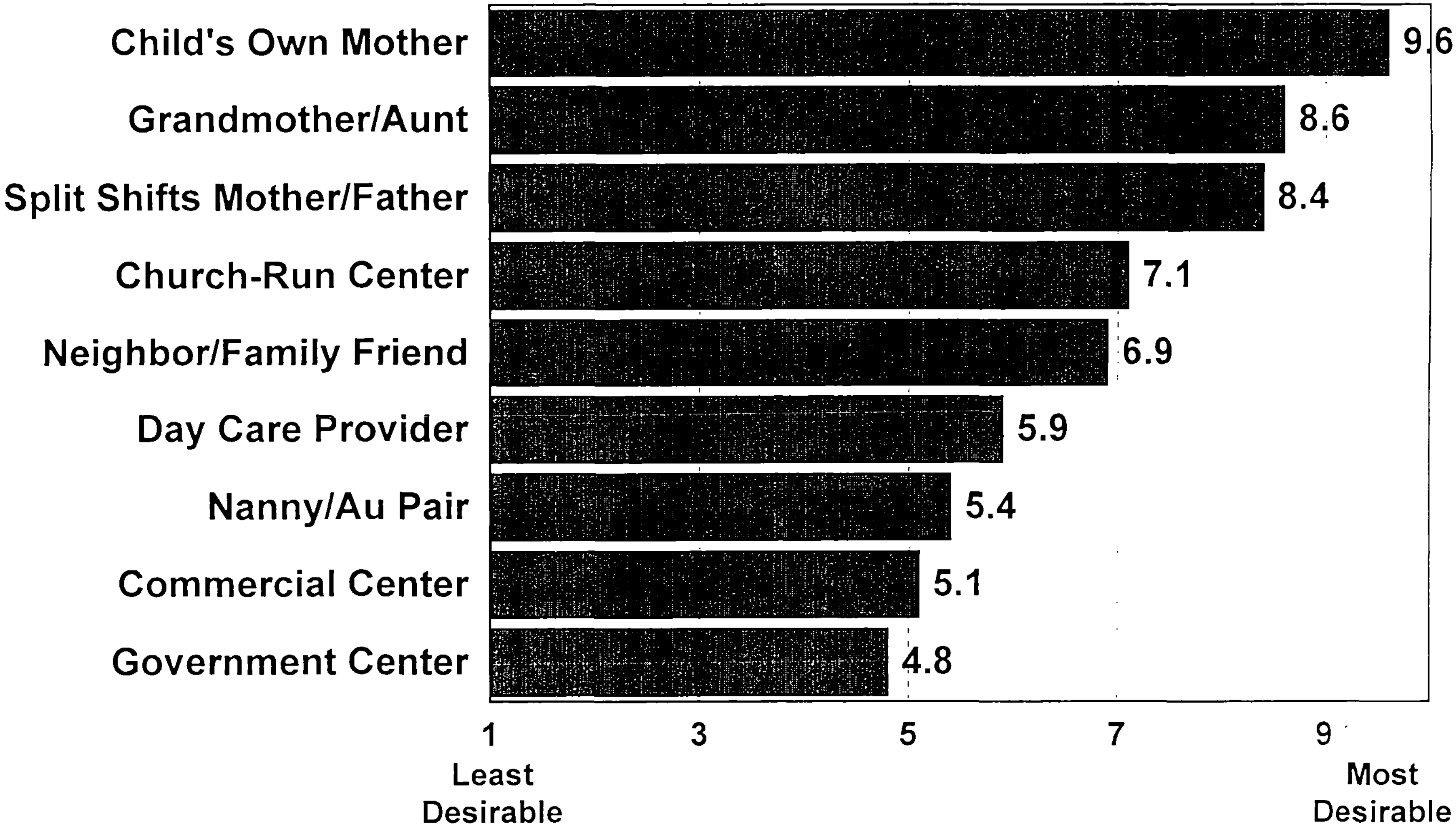
Desirability of Child Care Arrangements

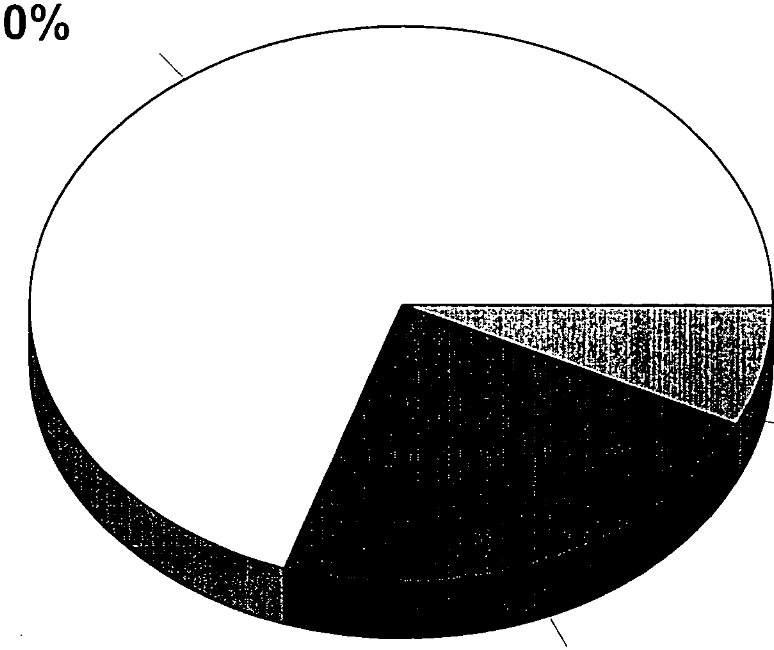


Source: December B 1997 Quorum
Sample Size: 1,004 Adult Americans
± 3.1 Percentage Points at
95% Confidence Interval

WIRTHLIN WORLDWIDE

On a scale from 1 to 10, please rate how desirable each of these preschool children care options are, with 1 being the least desirable and 10 being the most desirable.

Tax Relief to Families with Pre-School Children



Source: December B 1997 Quorum
Sample Size: 1,004 Adult Americans
± 3.1 Percentage Points at
95% Confidence Interval

As you know, the government is interested in providing tax relief to families with preschool children. Should this relief be available to all families with preschool children or only to families who pay someone for day care?

WIRTHLIN WORLDWIDE

EXECUTIVE SUMMARY

Wirthlin Worldwide is pleased to present this summary of research conducted nationwide on behalf of the Family Research Council. This research was designed to understand American attitudes toward child care arrangements and tax benefits associated therewith.

This summary highlights the results of one thousand four (1,004) telephone interviews with adults age 18 years of age or older living in the continental United States. Research was conducted December 19-21, 1997 and is projectable to the entire population within a $\pm$ 3.09 percentage point margin of error.

The project leader for this study was Mr. Neal Rhoades, Vice President. He was assisted in all phases of research by Ms. Anne Rzeszut, Research Manager, and Mr. D.J. Mosrie, Research Assistant. Any questions the reader may have about this summary should be directed to Mr. Rhoades or Ms. Rzeszut at (703) 556-0001.

KEY FINDINGS

- Americans want to retain child care duties within the family structure. When presented with nine different pre-school child care options and asked to rate each from least desirable to most desirable, adults rate *care by a child's own mother* as the <u>single</u> most desirable form of care, regardless of race, age, partisanship, or income level. *Care by the child's own grandmother, aunt,* or *other family member* or *care by the child's own parents working split shifts* are also desirable forms of child care.

- An overwhelming majority of adults (71%) say that tax relief should be available to all families with pre-school children, not just families who pay someone for day care.

BACKGROUND

The Clinton Administration has developed a proposal to expand the government's role in child care.

President Clinton's initiative would:

- increase federal child care subsidies to states;
- increase tax credits for families who pay for day care;
- increase Head Start funding;
- establish funding to provide grants for community programs improving child care safety and learning for children through age 5;
- expand funding of school-community partnerships to provide after school care;
- give tax credit to businesses that provide child care for employees;
- fund state efforts to enforce child care health and safety standards;
- provide 50,000 scholarships a year to students working toward child care credential; and
- fund child care research and a consumer hot line.

Nationwide, we find that Americans want to retain child care duties within the family structure. Therefore, it is not surprising to find that an overwhelming majority say that tax relief should not be limited to families that pay for day care, but available to all families with pre-school-aged children.

Clearly these results suggest that, in general, Americans prefer a child care program that provides support and incentive to rearing children within the family.

DESIRABILITY OF CHILD CARE ARRANGEMENTS

To better understand perceptions of child care options, we presented adult Americans with nine different pre-school child care options and asked respondents to rate each using a scale from 1 to 10 where 1 is the least desirable option and 10 is the most desirable child care option.

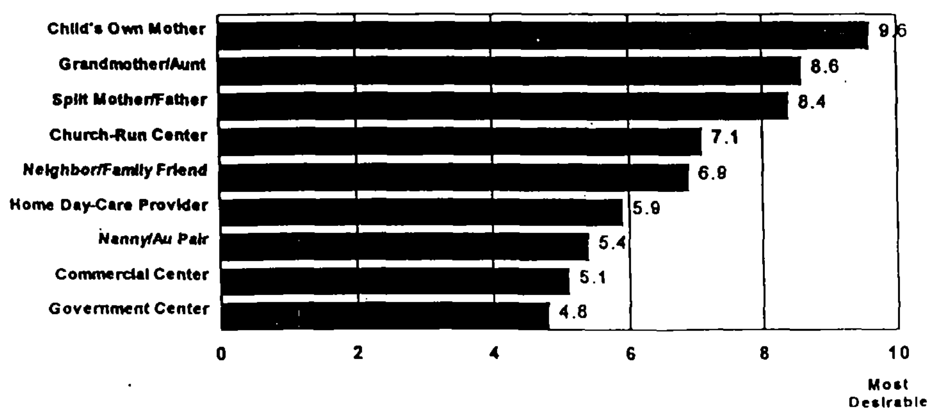
Desirability of the child care options fall out into four basic clusters. Each child care option was classified into a particular cluster based on an average desirability score.

On average, Americans rate *care by a child's own mother* as the single most desirable form of care (9.6 out of 10 possible points).

Moreover, it is important to note that Americans consistently rate *care by a child's own mother* as the most desirable form of care, regardless of race, age, partisanship, or income level. The only significant difference we observe is that women are slightly more likely than their male counterparts (9.7 versus 9.4) to rate care by the mother as more desirable.

However, adults say that *care by the child's own grandmother, aunt, or other family member* (8.6) or *care by the child's own parents working split shifts* (8.4) are also desirable forms of child care. These two child care options constitute the second grouping of suitable child care options.

Desirability of Child Care Arrangements



Source: December B Quorum
Sample Size: 1004
± 3.1 95% Confidence Interval

On a scale from 1 to 10, please rate how desirable each of these pre-school child care options are, with 1 being the least desirable and 10 being the most desirable.

Trusted community support branches such as churches and neighbors comprise the third cluster of desirable child care options. Adults identify a *church-run center* (7.1) and *care by a trusted neighbor or family friend* (6.9) as a suitable form of child care, but less preferable to care supplied within the family.

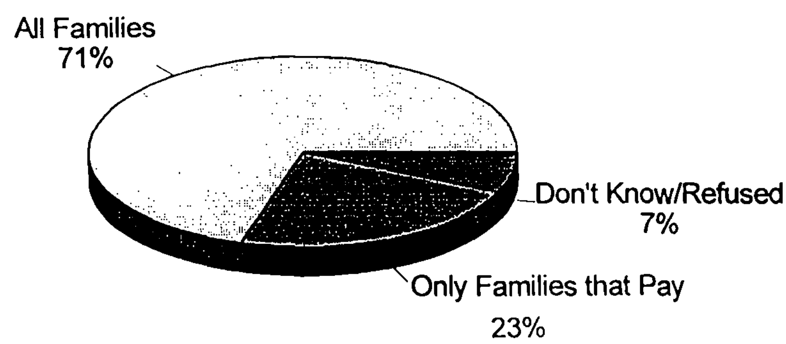
Americans classify professional care programs such as *home day care provider* (5.9), *nanny or au pair* (5.4), *commercial care centers* (5.1) and *government care centers* (4.8) into the fourth and least desirable cluster of child care arrangements.

SUPPORT FOR TAX CREDIT TO FAMILIES WITH PRE-SCHOOL CHILDREN

To better understand American sentiment toward child care tax relief, we asked adults to tell us whether the tax relief proposed by the Administration should be available to all families with pre-school children or only to families who pay someone for day care.

A strong majority of Americans (71%) support tax relief to all families with pre-school children, while only one-in-four (23%) think that tax relief should only be given to families who pay someone for day care.

Tax Relief to Families with Pre-School Children



Source December B Quorum
Sample Size: 1004
+/- 3.1 95% Confidence Interval

As you know, the government is interested in providing tax relief to families with preschool children. Should this relief be available to all families with preschool children or only to families who pay someone for day care.

Clearly the Congress must consider public support for a pre-school tax credit that includes tax relief for all families, not just those who use paid day care.

Mothers at Home®

AN ORGANIZATION IN SUPPORT OF MOTHERS WHO CHOOSE TO STAY AT HOME

PUBLISHERS OF Welcome Home.

Statement by
Heidi L. Brennan
Public Policy Director, Mothers At Home
January 29, 1998

American mothers today have had opportunities that were largely unavailable to their mothers a generation ago. Overall, American women are the best educated and most career accomplished in history. The success of our nation's economy, the competence of our government, and the security of our nation have increasingly come to depend on their efforts. We also know that when women become *mothers*, dramatically increased numbers of them are participating in the workforce in some way.

Within these enormous changes in our society, it also has become equally clear that American mothers are experiencing a deeply emotional crisis concerning the care of their children. Despite considerable media coverage of child care issues the true nature of this crisis remains largely misunderstood.

Four the past fourteen years, my organization, **Mothers At Home**, a national support organization for mothers, has received thousands of letters from both at-home and employed mothers describing their concerns about their families and their beliefs about their children's' needs for parental time. They have sought ways to create a balance in which they can put their children first without putting themselves last. Yet our nation's understanding of these mothers is largely distorted.

Today's Mothers Defy Media Stereotypes*

Media coverage for the past three decades has almost universally divided mothers into two distinct camps: mothers who are home with their children (pictured as a shrinking minority) and mothers who "work outside the home" (identified as the growing majority). Mothers who are at home are supposedly politically conservative, married to a high wage earner, and ideologically committed to the view that women belong in the home.

"Working mothers," on the other hand, are depicted as well-educated, motivated women pursuing self-fulfillment in the workplace and mothers forced to work for economic reasons.

Yet, the outpouring of letters, e-mail, and phone messages received by Mothers At Home, come from mothers of every political, religious, and socio-economic background, completely contradicting this stereotype. We have heard from single mothers who have manage to be at home, often through creative income-earning options, wealthy women who feel they "must" work for a myriad of reasons, political conservatives who have balanced career and family for years, and ardent feminists who quit work soon after their first child was born. Thus we have learned that mothers, indeed all American women, simply cannot be categorized by their work/home choice.

Despite media attempts to publicize a so-called "Mommy Wars," mothers are remarkably united -- not necessarily through the choices they make concerning the care of their children, but through the exhausting inner turmoil they suffer as they weigh the alternatives. Pulled one way by an intense social and economic pressure to work and pushed another by a dawning realization that they are truly needed by their children, most mothers feel hopelessly torn. In fact, many of them wander in and out of the workforce -- seeking from society support at work, then at home -- only t o find it severely lacking in either place.

A Generation of Women Unprepared for Children

In spite of the depth of their internal battles, and the financial challenges or rearing children, in 1996, ***6.8 million*** mothers in married couple families with children under eighteen years of age, chose to forego *any* labor participation at all in order to nurture their families. Within this year another ***9.1 million*** mothers work part-time. Together these families make up nearly 61% of those with children under eighteen. Unmeasured by census bureau data, are the many mothers who are employed full-time but have created schedules or work arrangements, including home-based employment, which allow them to remain a daily primary caregiver to these children.

Meanwhile, the child care needs of the remaining employed mothers extend far beyond the search for "quality care" so urgently depicted in the media. Rather, the portrait of a "typical" working mother -- a woman whose preschoolers are subjected to a night mare of inferior child care arrangements while on the waiting list for a "good" daycare center -- is a mere glimpse of a much larger, much more poignant story about today's mothers.

It is the story of a generation of women who were led to believe that motherhood could be easily "hired out," and that life with children need not differ much from life without them. It is the story of women who had no real idea of what caring for a child would feel like or of the sophisticated skills and the sacrifice of time it would require. Typical for so many of us is the story of a mother from Allentown, Pennsylvania, who wrote: *"I have always strongly supported the women's movement and consequently was totally unprepared for the depth and strength of emotional commitment I felt for my daughter. I never even considered not returning to work, so I wasn't prepared financially when I didn't want to resume my old job. I am angry, frustrated, and hurt."*

Women like this mother discovered that the kind of nurturing they want for their infants and young children requires more than good custodial care; it demands the full-time attention and untiring efforts of someone who has a vision of what their children can become. Wrote a mother from New Plats, New York: *" I just assumed that after the birth of my son I would return to work and life would go on as before... I had the* *career position I had worked for all my life, a healthy child, nice home -- and I was miserable. No one ever told me how I was going to feel..."*

Indeed this mother's words reflect the most common expression of new mothers, and new fathers upon the arrival of a child: *"I never knew I would feel this way!"* How they feel, and what they come to believe, is that their children would benefit from far more of their direct care and interaction than the traditional full-time work week allows. Yet, unprepared for their new realizations, many families find themselves financially overburdened and anxious about future career options. And so, many first-time mothers return to work, worried about their decision to do so, but assured by popular literature, media stereotypes, well-meaning friends, and the overarching cultural messages about motherhood and work that they will simply "adjust" as soon as they locate "quality child care." And so, with misgivings and confusion, they begin their search for substitute child care. Many of these mothers, after trying even the best care available come to a conclusion about what they really want for their children.

Mothers At Home Co-founder Linda Button's own story of searching for child care and discovering what she really wanted is that of millions of mothers. She has this to say:

"My carefully worded advertisements for child care literally cam back to haunt me. I was looking for someone 'loving, tender, reliable, responsible, nurturing, intelligent, and resourceful...' I had wanted someone who would encourage my children's creativity, take them on interesting outings, answer all their little questions, and rock them to sleep. Slowly, painfully, after really thinking about what I wanted for my children and rewriting my advertisements, I cam to the stunning realization that the person I was looking for was right under my nose. I had been desperately trying to hire me."

What Mothers (and Fathers) Want

Poll after poll of mothers, show that they prefer to be the primary daily caregiver of their own children, sometimes in tandem with their husbands. Thus, millions of mothers fathers have sought ways to have one parent home full-time, to share the care between them in "tag-team" arrangements, or to find part-time or home-based employment options. Our nation's true child care experts are these mothers and fathers -- who everyday try to balance their children's needs while balancing their families' budgets.

Unfortunately, parents are rarely invited to participate in the professional associations, the lobby groups, and the educational symposiums and conferences routinely held to discuss and decide what is best for children. Yet, millions of mothers and fathers across our nation, participating in grassroots parent support groups, baby-sitting co-ops, neighborhood associations, and thousands of other networks know that their children need a great deal of their time, and thus are creating employment patterns and career paths to meet those needs.

While the one-earner married couple family is no longer the absolute norm, neither is it the dinosaur that it is so often painted to be. It still remains the preferred model for a substantial number of families, especially those with pre-school age children. Furthermore, the family of model of two full-time incomes, adding up to a combined eighty-hour work week, is not today's norm either. And survey data of mothers and fathers show that they don't want this choice for their families.

Mothers and fathers are seeking a renewed economic freedom and expanded work/life options. They want freedom to choose parental care for their children and to locate or create jobs and career paths that offer flex-time, part-time, job-sharing, or telecommuting. They want to start their own businesses, some based at home. In fact, women-owned businesses form one of the fastest segments of new business growth, and it's easy to understand why. Yet, regulatory and tax barriers prohibit many Americans from creating their own enterprises.

The current clamor for "affordable, accessible, and quality" child care has not even begun to address the real desires of American families and the needs of their children. As mothers continue to desperately seek ways to be home with their children, they are derided as nostalgic. As fathers have attempted to expand their time caring for their children, they have been stymied by financial constraints and cultural barriers. And in all of this, the real needs of children, to begin their lives forming secure emotional attachments with their families, have been forgotten. Our nation is enthralled with every social program conceived except the one which best sustains our society -- the family. Parents know that there is no greater quality child care than mothers and fathers, nor more accessible. It still remains affordable, to many families, yet precariously so. It is just barely out or reach of millions of others, but not so far that it can't be done. We must have the national will to support parents in this, their choice -- to be the primary daily nurturers of their children.

Mothers at Home®

8310A Old Courthouse Road
Vienna, Virginia 22182
Order/Information Line:
1-800-783-4666
Public Policy Phone/Fax:
703-237-0337
Public Relations Phone/Fax:
703-534-7856
Mothers At Home website:
www.mah.org

Mothers At Home is a nonprofit 501(c)3 organization devoted to the support of mothers who choose (or would like to choose) to stay at home to nurture their families. Founded in 1984, Mothers At Home is committed to:

- affirming a mother's choice to be home throughout the many stages of motherhood;
- providing mother-to-mother support, education, and networking;
- correcting society's misconceptions and refuting stereotypes about at-home mothers;
- serving as advocates for children concerning their needs for generous amounts of their parents' time; and
- empowering mothers to preserve and improve the opportunity for all women to choose home.

Mothers At Home accomplishes these goals by:

- publishing *Welcome Home*, an award-winning monthly journal that helps mothers at home across the country address the intricacies and complex nature of the work of motherhood. Includes stories of mothers' struggles and successes, articles on parenting, essays about the memorable moments and humorous episodes, analyses of public policy, reviews of available resources, and more;
- publication of two popular books, *Discovering Motherhood* and *What's a Smart Woman Like You Doing At Home?*;
- researching, writing, and speaking out about the cultural and public policy issues important to women and families; and
- communicating with mothers' groups, the media, public policy organizations, government officials, and others.

INDEPENDENT WOMEN'S FORUM

Statement of
Anita K. Blair
Executive Vice President and General Counsel
January 29, 1998

Who's Working for Whom?

The Clinton Day Care Plan looks at Americans and sees workers and taxpayers. We look at Americans and see—people. People who work for a living, but who also want to have a life. Parents and children who want to be a family, who want to be together.

But to be together, they have to have time. Earning a living takes so much of their time, they can hardly call it living. And for the typical family, nearly forty percent of their income goes for paying taxes. That means forty percent of their time is spent working to pay the government.

American families today need time and money. Lower taxes for families will put money in their pockets and let them choose how they spend it. Lower taxes also will help people reduce the time they have to work—by taking less overtime, for example, or converting from full to part-time. But lower taxes must apply to all families, not just those who use outside day care. This is absolutely necessary if we're going to treat people fairly.

Lowering taxes is not the only way the federal government can help families find time. Many federal regulations restrict people from working in a way that's most convenient for them.

What if Mom wants to take two hours off on Friday to see her child's game or play, and make up the time the following week? Although you might think that would be a decision strictly between Mom and her boss, in fact it's probably governed by federal wage and hour laws, which would force Mom to take annual leave when all she wants is to take off early. Comp time and flex time should not be a federal offense. !?

Many parents would like to work from home, communicating with their office by telephone, fax and computer, yet able to be home with a baby or when the kids come back from school. Many businesses would be glad to work this way, but IRS regulations governing home office and equipment deductions remain complicated and difficult to comply with, especially in a family setting, where the kids want to use the computer. Simplifying these regulations and encouraging telecommuting would help families a lot.

Federal regulations also make it very expensive for employers to hire more employees, because it increases the cost of payroll taxes and other benefits. This hurts people who would like to job-share or take a reduced workload. Lowering payroll taxes and making benefits more flexible would help families increase their family time.

2111 Wilson Boulevard, Suite 550, Arlington, Virginia 22201-3057 • Telephone 703/243-8989 Fax 703/243-9230

MYTH # 1: MOST CHILDREN ARE IN ALTERNATIVE CHILD CARE.

FACT: THE MAJORITY OF PRESCHOOL CHILDREN IN AMERICAN SPEND THEIR DAYS WITH THEIR MOTHER.

Preschool Age: Possibly the most reliable indicator of child care trends across the nation is the Bureau of Census report, "Who's Minding Our Preschoolers?"[1] The most current report, issued March 1996, indicates that mothers acount for the care of about 53% of all children below age five -- 49.9% by non-employed mothers and 3.0% by mothers who care for them while "on the job" (e.g., home based businesses). This figure rises to almost 61% when adding in children who are cared for by both parents in "tag team" care arrangements (7.8%). Dad as sole care-giver (1.5%) and the care of relatives (12.3%) account for the child-care arrangements of an additional 15%. Thus, three-quarters of young children in the U.S. are cared for by a mother, father or other relative. Non-family members account for the care of only about 25% of children below the age of five: day-care centers comprise 15.1%; in-home day care comprises 8%; and nanny care accounts for 2.4% of the child care arrangements of young children.

Older Children: Another recent Census Bureau report[2] shows that non-employed mothers at home care for 39% of children ages 5-14. Thus, non-employed mothers at home care for 23.4 million of the country's 56.1 million children (under age 15). The number of children cared for by their mothers is even larger than these statistics indicate due to the Department of Labor's (DOL) definition of "employed" mother. Included are mothers providing income by pursuing creative and non-traditional employment opportunities at home with their children. Interestingly, the data indicate that half of all employed mothers, in fact, work part-time. (See Myth # 3.) DOL's definition of "employed" captures any and all labor force participation; it is not designed to determine how many mothers consider *themselves* to be at-home mothers.

MYTH # 2: THE CHOICE TO HAVE A MOTHER AT HOME IS ONLY POSSIBLE IN WEALTHY FAMILIES.

FACT: CENSUS BUREAU DATA SHOW THAT MOST MOTHERS WITH A STRONG COMMITMENT TO NURTURING THEIR FAMILIES ARE THERE REGARDLESS OF ECONOMICS.

Despite the housing, tax and other financial burdens of today's families, millions of parents still find ways to be the primary daily caregivers for their children. While some prefer to believe that only wealthy families can afford the so-called luxury of having a mother at home, the reality is quite different. U.S. Government data reveal that the typical American family with a full-time

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1 Casper, Lynn M., Who's Minding the Preschoolers? March 1996, U.S. Census Bureau, Current Population Report, P70-36, U.S. Government Printing Office, Washington, D.C. 1996.

2 Casper, Lynn M., Mary Hawkins, and Martin O'Connell, Who's Minding the Kids? Child Care Arrangements: Fall 1991, U.S. Bureau of the Census, Current Population Reports, P70-36, U.S. Government Printing Office, Washington, D.C. 1994.

mother at home is middle-income. The Census Bureau's Current Population Survey (March 1993) reveals that the median income of married couple families with children and a mother at home is $35,876, about $15,000 less than married couple families with children in which both parents are employed ($50,621).

Many are mistakenly under the assumption that the husband's income in the typical family with a homemaker is very high. Again, the 1993 Census Bureau data do not support this conclusion. A comparison of the 1993 median earnings of a father with a non-employed wife ($31,540) to the median earnings of a father with an employed wife ($31,099) shows that the typical father in both types of families earn nearly identical incomes.

Many couples analyzing the economic impact of decreased income when the woman chooses to leave the paid workforce find that it's expensive to have both spouses employed. Savings associated with having a mother at home include the obvious child care (or after school care), taxes, commuting and parking, wardrobe purchases and upkeep, transportation for the child, and meals out for lunch and dinner. Many mothers live by the adage, "Where there is a will, there is a way." Many couples make decisions so they can afford the choice, including downsizing their homes, and either scaling down or foregoing vacations, cars, and luxuries. In addition, being home allows many families to economize through comparison shopping and avoiding high-priced convenience foods.

Consider the following:

~ "Career Moms," The San Diego Union-Tribune, March 4, 1995 reported on a study by researchers Professor Mary Ellen Brooks and Dr. Pamela Laidlaw from United States International University in San Diego (April-May, 1995). Their four-year study of hundreds of mothers found that "the decision to engage in full-time parenting was not influenced primarily by economic considerations, but followed from a mother's conviction that she is best-suited to provide a safe, securing, loving and nurturing environment for her children."

~ The March 21, 1994 feature article in Barron's financial newspaper, "Working Women: Goin' Home" focused on a report by Richard Hokenson, chief economist at Donaldson Lufkin & Jenrette. A demographer by training, Hokenson discussed the economic issues impacting the "demographic sea change," with two-paycheck families on the decline and the "traditional one-paycheck family now the fastest-growing household unit."

MYTH # 3: MOTHERS FALL INTO ONE OF TWO DISTINCT CAMPS: "AT-HOME MOTHERS" AND "EMPLOYED MOTHERS."

FACT: THE DISTINCTION BETWEEN "EMPLOYED MOTHER" AND "AT-HOME MOTHER" IS BLURRED.

The improper media use of Department of Labor (DOL) statistics on work force participation has led many people to the incorrect conclusion that there are only two types of mothers--those who are employed full-time and those who are home full-time. Yet, millions of today's mothers counted as "employed" by the DOL definition actually view themselves as at-home mothers.

For example, DOL's definition of "employed persons" includes: anyone who during the survey week worked part-time as little as one hour per week or as little as one week out of the year, worked in her own business, profession or on her own farm, worked fifteen hours or more as an unpaid worker in a family-operated enterprise, provided alternate child care for money, and those temporarily absent from their jobs for such reasons as maternity leave (whether or not they return to their jobs), illness, vacation, bad weather, or labor-management disputes.

"In an effort to keep her original career goals somewhat intact while putting them on hold to rear her children, she (today's mother) often experiments with full-time work, part-time work, volunteer work -- sometimes overcommitting her time, then drawing back, then reaching out again -- until she finds the right balance of attentiveness to home life and pursuit of outside accomplishments."[3] Indeed, many of today's mothers pursue non-traditional employment opportunities to create more family time. Innovative options mothers today are pursuing include job-sharing, flex- and part-time work, "tag team" parenting, telecommuting, home-based businesses, and motherhood sabbaticals. All of these options are enabling mothers to have what they want most: more family time.

`How many mothers fall into these categories? We don't know for sure. But we do know that almost half (49.6% or 9.644 million) of all employed mothers (19.4 million) with children under age 18 in married couple families are counted as being employed part-time.[4] Indeed, two-thirds (66.7% or 4.503 million) of mothers with young children (below age 6) are either employed part-time or are full-time mothers at home.[5] In all, 16.6 million (of 26.4 million) married couple families (or 62.9%) with children under age 18 have a non-wage earning mother at home or a mother employed part-time.[6]

Recent statistics show that women constitute just under half of the 40 million self-employed and salaried employees who currently work at home.[7] In addition, there are 3.5 million home-based, women-owned businesses in the U.S.[8]

So while Census Bureau data[9] show that **6.94 million** (or 26.3%) **of all married couple families with children have a full-time mother at home**, the large number of part-time employed moms is clearly evidence that family considerations are playing a key role in the number of hours mothers are willing to be on the job.

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3 What's A Smart Woman Like You Doing at Home?, Mothers at Home, 1992, p. 19.
4 U.S. Census Bureau, Current Population Survey, March, 1994
5 ibid.
6 ibid.
7 The Pampered Chef, Ltd., June 1996
8 ibid.
9 U.S. Census Bureau, Current Population Survey, March, 1994

MYTH #4: MOST MOTHERS AND FAMILIES WANT AND NEED BETTER AND MORE CHILD CARE.

FACT: MOST MOTHERS AND FAMILIES WANT MORE TIME WITH THEIR CHILDREN.

Certainly, affordable and accessible child care are important issues for today's parents. However, the perception that paid staff provide the majority of nurturing to young children is not based on fact. Indeed, the 1996 Bureau of the Census Report, "Who's Minding the Preschoolers?"[10] indicates that only 15% of preschool children are in center-based care. In contrast, mothers themselves care for almost 61% of preschool children (49.9% by a non-wage-earning mother, 7.8% are by tag-team parents, and 3% by mothers while employed, for example in a home-based business).

An equally, if not more, compelling issue of our day is that mothers and fathers want more time with their children. In addition, most people believe that the best care for a child is the care given by a parent. Consider just a few of the many opinion polls that support this conclusion:

A May, 1997 survey of 1101 American women by the **Pew Research Center for The People & The Press** found that 41% of women surveyed "thought that a family in which the father worked and the mother stayed at home was best for raising children." Only 17 percent of women surveyed said it was beneficial for children and society to have mothers work outside the home. Among women who work full time, only 41% said they were confident that their situation was good for their children. 44% of respondents with children under 18 "would choose to work part time rather than full time;" and 25% said they would "prefer to stay at home."

A February 1996 survey conducted for the **Independent Women's Forum** by The Polling Company found that more than half (55%) of adults are willing to trade some seniority or pay at work in exchange for more personal time. One third (33%) of all respondents would choose to have one parent at home full time with their children if their economic situation would allow.

The September, 1996 "Poll of Parents with Children at Home" by the polling firm Penn & Schoen for the **National Parenting Association** found that 94% of parents surveyed endorsed "Tax incentives to encourage family-friendly policies by employers, such as benefits for part-time workers and flexible working hours."

Parents Magazine/Women & Work Poll/Reader Survey results published May, 1996:
~ 43% of 18,000 mothers surveyed said they would like to stay home, nearly twice as many mothers who felt that way in 1989.
~ 68% of working mothers did not feel they had enough time with their family
~ If moms could choose to do whatever they wished: only 4% would choose full-time employment, 61% would work part-time, 29% would not choose any paid employment,

[10] Casper, Lynn M., Who's Minding the Preschoolers? March 1996, U.S. Census Bureau, Current Population Report, P70-36, U.S. Government Printing Office, Washington, D.C. 1996.

~ 56% of women felt "it is better for the child if the mother does not work"
A 1996 National Study of Women's Awareness, Attitudes, and Opinions conducted for **Concerned Women for America** by Wirthlin Worldwide (1015 participants) found that 8 out of 10 American women agree with the statement, "If I could afford it, I would like to stay home and be a full-time mother."

A May 1995 **Louis Harris and Associates poll, conducted with the Whirlpool Foundation and the Families and Work Institute** found interesting responses to the question of work preference if "you had enough money to live as comfortably as you'd like." Only 15% of the women and 33% of the men would work full-time; 33% of women and 28% of men would work part-time; and 20% of women and 17% of men would choose volunteer work.

A December 1994 **USA Today Weekend** reader write-in found 96% of 1,278 respondents would take a pay cut for more family time.

A 1994 **National Commission on Children** survey asked parents to assess the amount of time spent with their families. Fifty-nine percent responded that they needed more time with their families: 30% thought they "needed *a lot* more," while 29% indicated they "needed *a little* more." (Washington Post Health, July 19, 1994)

A May 1994 **Child Magazine survey** of 800 mothers with children below age 13 showed that 48% of mothers who work full-time would prefer cutting back their hours, 30% would stay home, and only 20% would continue with a full-time career.

A 1993 study by the **Families and Work Institute**, "The Changing Workforce," (a nationally representative study of 2958 waged and salaried workers) reported that 61% of the employees interviewed would switch jobs for flexible time and leave programs. More specifically, 79% of employees with children under 13 would be willing to change employers for more flexible work arrangements, and 81% of employees with children under 13 would be willing to sacrifice advancement for more flexible work arrangements. Seventy-six percent of young workers 18 through 24 years of age revealed that they were more willing to "make sacrifices in their education, careers, and jobs than in their personal and family lives."

In 1993, **Yankelovich's Monitor** reported that 56% of women would leave work to be with their families if they could afford to do so, in contrast to 38% responding similarly in 1989.

A 1991 **Washington Post** poll found that 55% of Americans believed a child is likely to suffer if his mother works outside the home, up from 48% in 1989. A 1990 Gallup poll for the **Los Angeles Times** showed 73% of the public believed children fare best when they have a mother at home. A 1990 **Times Mirror** poll found that 73% of respondents believed too many children are being raised in day care, up from 68% in 1987; and a 1990 **Time Magazine** poll of 18- to 29-year olds found that 63% hope to spend more time with their own children than their parents spent with them.

MYTH # 5: WOMEN WITH CAREERS AND FAMILIES "HAVE IT ALL," WHILE MOTHERS AT HOME ARE THROWBACKS TO THE 1950S.

FACT: MOTHERS AT HOME TODAY ARE THERE BY CHOICE BECAUSE OF A STRONG CONVICTION ABOUT THE IMPORTANCE OF WHAT THEY DO. EMPLOYED MOTHERS ARE FINDING THAT HAVING IT ALL" REALLY MEANS MAKING TRADEOFFS.

Many women trying to balance full- and even part-time work with family life are concluding that "superwoman" is a mythical figure. Despite the rewards of a professional career and financial realities that lead some to employment, many women are concluding that "having it all" really means making tradeoffs. Those tradeoffs include fewer opportunities to be with their children -- to experience the many firsts that happen but once, to impart their values, and to revel in the endless challenges and joys of motherhood. Many employed mothers are also finding that the balancing act often leaves them exhausted and stressed, overextended, and wishing for more time with their children.

A report in the March 21, 1994 issue of Barron's financial magazine typifies the media's portrayal of homemakers. The generally positive tone of the article of the trend of more women staying home was contradicted by the illustrations: on the cover, a woman in 1950s garb holding a pie peers at readers, while within the article other 50's-style scenarios contribute to the "throwback" message.

Arlene Rossen Cardozo in her book, Sequencing (Collier/MacMillan, 1986) counters the myth that today's homemaker is a throwback to the 1950s by noting that she is far different than her sister of that era. Before the arrival of her first child, today's mother at home has often had more education, work experience and career options. Writes Cardozo, "Sequencing is the solution more and more women choose of having it all -- career and family -- but not trying to do it all at once, at all times in their lives."

In their book, What's A Smart Woman Like You Doing at Home? (Mothers at Home, 1986, revised 1992), Linda Burton, et. al., write "it is difficult to find a woman who is unhappily 'stuck' at home. Rather, most women who stay home are there because of enormous conviction about the importance of what they do."

CONTACT: **Mothers at Home**—Heidi Brennan, Public Policy Director—(703) 237-7219
or **Independent Women's Forum**—Barbara Ledeen, Executive Director—(202) 833-4553

Senate Committee on Labor and Human Resources
Subcommittee on Children and Families
Hearings on
"Pre to Three: Policy Implications of Child Brain Development"

June 5, 1997

Testimony of
Diane Fisher, Ph.D.*

I am Dr. Diane Fisher, a practicing clinical psychologist, board member of Mothers At Home, advisory board member and speaker for the Independent Women's Forum, and, most importantly, the mother of two school-aged boys and a two year-old daughter. I am indeed in the trenches of child-rearing, walking the fine line between satisfying my own needs for professional stimulation and my deep conviction that children need a parent at home. Based on my experiences both as a therapist and a parent, I believe it critical to be a primary part of the environment that affects my children.

The "Quality" Illusion

Lately, we've read reports stating that high-quality, non parental daycare is the equivalent of being at home with mom or dad. In reality, how much can "quality" daycare accomplish? I feel sad for the parent who must drag her children into their car seats early each morning, often with a waffle in their hands, still in their blanket sleepers and nighties, off to what often ends up to be a ten-hour day at daycare. Is that parent able to be with her children in that special intimate joyful way children need? Or must she rush from task to task to survive the day? These are parents that deeply love their children! And yet these children miss their parents' perspective on the world: their comments, jokes, the mirror through which they learn who they are, a sense of family identity – irreplaceable stuff – neither trivial nor superficial – but so devalued in our society!

Brain Research

Recent studies of the brain have underscored the critical importance of the emotional and physical environment to infants, and a child's irreplaceable ties to mother. As excited as we are about infant brain development, we must remember that it is the *emotional* development of the infant that forms the foundation upon which all later achievements are

* *Note (January 1998): This statement has been adapted from both Dr. Fisher's prepared testimony and actual transcript of hearing. Further edits by Dr. Fisher have been included for clarification of points.*

based. For the zero-to-three age group, this means that time spent drilling with flash cards is time wasted. The infant's emotional security, the ability to feel safe and nurtured enough to begin to explore the world, is what's important. For the infant, a mother *is* the environment -- pre-natally and post-natally. As a society, we are uncomfortable accepting this -- but it is a biological fact. An infant is soothed by the mother's smell and voice. The warm mutual cocoon of security between the mother and the child allows and inspires the flowering of everything else in the child's personality. This is not an overstatement. Intellectual skills are more resilient and can be compensated for -- there is more plasticity. Emotional development is very difficult to compensate for later. An infant can recover from a deprived intellectual environment much easier than she can recover from emotional abandonment or neglect. It is critical that we protect the budding parent-child relationship.

When we say "infant stimulation", what are we talking about? Black and white mobiles? Vowel sounds? Specialized physical movements? No, we are basically talking about attachment, or the unscientific word "love." Yet, we worry about what children three and even younger should know and be able to do, and we want programs to measure it all. Experiencing the everyday world on the arm of a loving, responsive parent is all the special stimulation and material that most babies need. The secure attachment of the infant to the mother is the critically important element for the child's *overall* development.

Infant Attachment

Attachment theory says that parents and babies are biologically "hard-wired" to form a close emotional tie. This is not a quick bonding period -- one that fits into today's typical twelve-week maternity leave. Rather, it is a slow, gradual process of many seemingly trivial communication cues and responses that occur over the first year of life. The adult woos the baby and encourages it to interact and explore, primarily by intimately sensing the baby's needs and sensitively containing the child. Most of this is accomplished intuitively by the mother who is motivated by love and enjoyment of her offspring. This attachment is not something for which you can write a check or schedule on a calendar. Experts connect attachment failures with the appearance of addictive behavior, loss of resilience to later trauma, intimacy problems, sexual promiscuity, drug and alcohol abuse, academic problems, depression, and delinquent behavior.

There are some serious misunderstandings about attachment theory. In a recent national research report (Key Findings from a Nationwide Survey among Parents of Zero-to Three-Year-Olds, Zero to Three National Center for Infants, *Toddlers and Families*, April 1997), *more than half* of parents surveyed thought that the *more* caregivers a child is exposed to in the first three years, the better. In reality, "socialization" or resilience to separation is not an appropriate goal for infants. Attachment optimally occurs with a single person who is primarily available to the child. Experts believe it is only *after* this secure relationship is firmly established (roughly in the middle of the first year) that baby is ready for secondary attachment figures. Multiple caregivers, a common phenomena in institutional care, is very destructive to the developmental goals of the first three years of life. It is unfortunate that our society is impatient with slow, subtle infant schedules in this fast, goal-oriented culture.

Parents Are Best

An argument I often hear is: "Parents aren't perfect -- many are angry, depressed, disorganized, or withdrawn with their children." Certainly, parents aren't perfect and do benefit from information about their infant's development. When parents need help, let's educate them to know how to find it and support them in their parental role. Let's not succumb, however, to the elitist idea that we can't trust ordinary parents to successfully manage the early phases of children's lives, or the idea that they can't nurture the infant as well as, or without the help of, trained child care professionals.

Our culture displays an almost romantic, wishful perspective on parenting. We want to believe in "quality time." We want to believe that no matter how many hours the parent is separated from the child, that the parent will stay just as emotionally engaged with and knowledgeable of her child as the parent who has spent far more hours of the day with her child. However, we are now learning that this is just not true.

April 1997 National Institute of Children's Health and Human Development (NICHD) Study

Despite the "no more worries – daycare is fine" reports which appeared after the results of the recent NICHD study was released, there was much that wasn't stated or explained in the media. Let's look at what this study said and did *not* say. First of all, most of the relieved headlines focused on the part of the study that showed that children in high-quality daycare had cognitive and language skills better than those in low-quality daycare. In fact, improving the *quality* of daycare had much less impact than expected on improving the child's emotional and cognitive functioning. More important was the quality of the home environment. What then, will strengthen the home environment?

The data pertaining to emotional attachment was more clear. The findings showed that for *non-risk* families, the *more* hours in daycare, the more the mother-baby relationship appears to be at risk of being adversely affected. Interestingly, it is a two-way street: *both* the child *and* the mother appear to become less engaged and responsive. Specifically, a *mother's* ability to sensitively respond to her child at three years of age was still affected by the amount of separation experienced when the child was *six* months old. Similarly, the more hours spent in substitute care in the infant's first six months, the less positively engaged that *child* was with the mother at three years of age. The detrimental effects of mother-baby separation over time were also *cumulative*: the more total hours of separation, the less the infant was positively engaged with mother at two and three years of age. If we agree that attachment and emotional development are critical for healthy, well-functioning children, then encouraging parents to place their infants and young children in daycare at early ages and for long hours does not appear to be in their children's, and ultimately, society's best interests.

Things Unmeasurable

I have respect for studies that attempt to grapple with the issues of children's growth and their response to different environments. I must comment, however, on what is *not* measured. Science cannot quantify important social qualities such as compassion, courage, character, and moral vision. These traits are inextricably linked with attachment and emotional development. Do we really believe that these and other important values can be reduced to learning objectives and effectively taught in all-day early childhood group settings?

It is hard to see the reality of how children develop into whole human beings. When one sees a young child riding through the supermarket in a grocery cart pushed by a parent, or helping with the laundry, it is easy to think nothing significant is happening. These seemingly ordinary moments can hardly compete with media images of smiling reading circles led by certified teachers and stimulating primary-colored environments filled with the latest sparkling "developmentally-appropriate" toys. It is easy to trivialize, even denigrate, the simple day-to-day mother-child world. Some feminists and child care advocates are uncomfortable even using the word "mother" and prefer the more politically correct "caregiver." They believe focus on "mother" is oppressive, and that we should ensure that women and men approach their parental roles with absolute equality, or perhaps sameness. Yet children understand gender differences and yearn for connectedness to mothers and fathers, each with their own unique qualities. Children do not cooperate with politically-expedient social agendas.

Policy Implications

Let us take a moment to focus more directly on the recent policy conversation. Despite the fact that the latest research confirms the importance of attachment, we are paradoxically calling for expanded government support of daycare. The new daycare and brain research is being presented in a way that ignores unpopular, factual findings and instead is media-packaged to persuade Americans of the need for higher taxes and new federal programs. When daycare is presented not as an option, but as the model for the future, we have to ask ourselves, why? Perhaps many of us have become discouraged and embittered by the avalanche of statistics on rising youth depression, drug use, violence, children born to single mothers, etc. But we are in danger of prescribing the poison. In response to reports of alienated children, and incompetent or disempowered parents, we are prescribing institutional solutions for *all* families that will result in more familial disconnection, further eroding typical parents' confidence as the most important source of nurturance to their children.

A favorite argument is to say, "sure, more parental time with kids is best, but the days of staying at home are over." In fact, the majority of parents of young children work out arrangements that do not require both of them to work full-time (see Appendix). A recent post-election poll (The Polling Company, for the Independent Women's Forum, November 1996) found that only 15% of parents believe daycare allowing both parents to work full-time was a solution to balancing work and family. Other polls echo these beliefs. To claim that a national system of full-time daycare is the only viable economic reality or the model for family life in the future is just not valid.

One-Size Solution Won't Work

The push for a federally-supported, universally-available system of daycare is the mission of many child advocacy organizations. Those who speak out to "improve and expand" daycare as we currently provide it often state that government support would not affect those who choose not to use it. This is dangerously naive. Those that are free to choose will be "free" at a financial price. Across the economic spectrum, many parents will feel forced to seek employment and take their children elsewhere to be cared for by others. With little societal support or validation for the role of the at-home parent, many parents may succumb to the obvious economic incentive of "free" daycare. If government only extends financial incentives for daycare options, extended school programs, and other parental substitutes, we will be eroding support for the healthy autonomous families and communities that can and do exist.

When this argument about government incentives is raised, daycare advocates retreat to the emotional pull of the worst-case scenario, using the welfare, high-risk, or inner-city impoverished child as a wedge to develop social programs that are then prescribed wholesale for healthy not-at-risk families. Some of the NICHD data show that at-risk children may benefit from some aspects of ***high quality*** daycare, whereas non-risk families overall showed an opposite effect: the more hours in daycare, the less positively involved was the mother with her infant.

This complexity about the risks and benefits of daycare for young children must not be dismissed or ignored because it is politically uncomfortable. Not all parents need extra help, but there are two groups that do. Most obvious is the grave set of needs of disadvantaged, hopeless children in forsaken schools, with unwilling or incapable parents. This is of grave concern to all of us and demands action in the form of foster-care reform, family resource centers, high quality daycare, home support and community-based parent education. However, we must not assume that parents are any less central to their children in these cases.

A *different* problem is the crisis in middle-class and affluent mainstream families, where child drug and alcohol use, suicide, depression, and moral confusion are also on the rise. Children in these families have potentially capable parents who have become convinced that hands-on parenting is less important than other demands on their time. They often believe that parental functions taken over by professionals, including daycare, is superior and thus a win-win proposition for parents and children alike -- and the more, the better.

The Needs of Children and Their Families

Programs that further take children out of their parents' hands are the *last* thing that families need. Policy policy and cultural solutions should insure that parent education and early childhood development programs stress and support parental time spent with children. The information we now have underscores the importance of time children spend with parents from infancy ***through*** the teen years. The National Longitudinal Study of Adolescent Health (published in the *Journal of the American Medical Association*, 9/10/97) reported that teens want and need more parental time than they are currently receiving. These study results concur with the Carnegie Corporation of New York study of ten- to fourteen-year-olds ("Great Transitions: Preparing Adolescents for a New Century," October 1995) which found that pre-teens were desperately in need of more attention and time with adults. We need to convey this strongly: parents are irreplaceable to children.

It is hard to overstress how vulnerable families are today. A struggling family can be profoundly influenced by another one in which the parents have organized their lives to have one parent at home for most or all of the child's day, or to be home after school. Rather than forward a social-political agenda for expanding the number of children in daycare (and the hours spent there), why not commit ourselves to protecting every parent's opportunity to spend time with her or his children. We can support family leave and workplace reform, substantial tax breaks for children, neighborhood schools, and parent education which recognizes and supports the value of what parents do for their children.

I challenge Congress to choose a better, more humane model for the future. Rather than a grim, subsidized, institutionally-controlled society, let's aspire to make possible a more egalitarian society, accepting and incorporating the unavoidable truth that children *need* their parents. Our modern ideas about women and men must not preclude the beauty of a mother whose heart is fully open to love and nurture her infant -- a mother who is not hesitant or emotionally distanced because separation is weeks away; a mother unembarrassed to love being a mother; a mother fully supported by her spouse, her family, and her culture.

Appendix

The 1994 Bureau of Census Report "Who's Minding the Kids?" shows that *non-employed* mothers care for 47%, or 9.1 million of all pre-school children. Well *over half*, or 61% of young children are cared for by mothers when parent tag-team arrangements (10%) and mothers with home-based employment/businesses (4%) are added.

The 1996 Current Population Reports, *Consumer Income* P60-197, published by the Bureau of the Census shows that:

- A quarter of all married couple families have children under age six (24.7% or 6,470,000).
- Two-thirds (65.7% or 4,252,00) of these children are cared for by a non-employed mother or a mother employed part-time.
- Over one quarter (27.6% or 1,787,000) are cared for by a non-employed mother.

In married couple families with children under age 18, the median income for families with husband and wife both employed is $57, 637. The median income for married couples with a non-employed wife is $38,835.

Note (1/16/98):

Testimony at the June 5, 1997 hearing was also provided by: Dr. Benjamin S. Carson, Sr., Director of Pediatric Neurosurgery at Johns Hopkins University Hospital; Dr. Harry Chugani, Director, Positron Emission Tomography Center, Children's Hospital of Michigan, Wayne State University; Dr. Anthony DeCasper, Head, Department of Psychology, University of North Carolina at Greensboro; Dr. Edward Zigler, Sterling Professor of Psychology and Director of the Bush Center for Child Development and Social Policy, Yale University; and Carlie Sorenson-Dixon, "retired" tax attorney, at-home mother, and co-founder of several mother support organizations.

For information about their testimonies, contact: Senate Subcommittee on Children and Families, Chairman Senator Dan Coats, Senate Hart Office Bldg. Room 625, Washington, D.C. 20510. Phone: (202)224-5800.

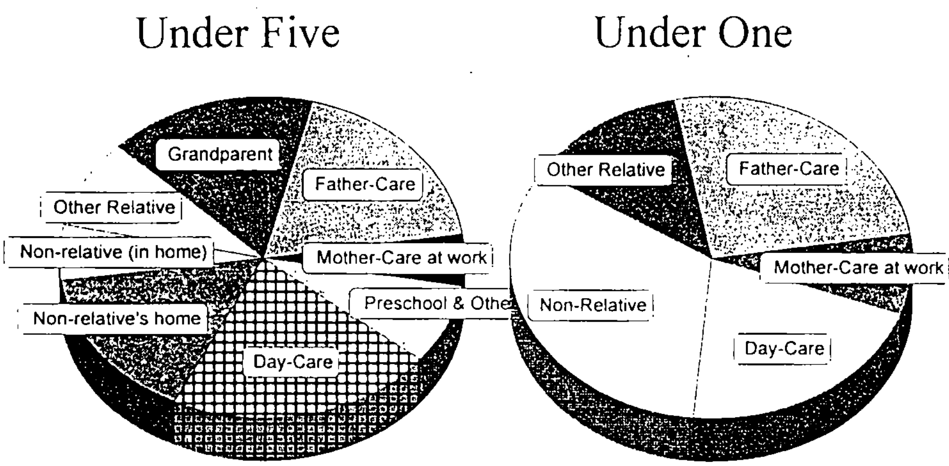
Primary Child Care Arrangements Used for Preschoolers by All Families & Families with Employed Mothers

	All preschoolers (under 5)			Under 1 year		
	Number	Percent	Percent	Number	Percent	Percent
Total children 5 and under	19,727	100.0		3,878	100.0	
Children with employed mother	10,288	52.2	100.0	1,738	44.8	100.0
Father (in home of Child)	1,898	9.6	18.4	359	9.3	20.7
Grandparent (in home of Child)	604	3.1	5.9	124	3.2	7.1
Other relative (in home of Child)	355	1.8	3.5	73	1.9	4.2
Nonrelative (in home of Child)	524	2.7	5.1	122	3.1	7.0
Grandparent (in Provider's home)	1,068	5.4	10.4	192	5.0	11.0
Other relative (in Provider's home)	565	2.9	5.5	105	2.7	6.0
Nonrelative (in Provider's home)	1,586	8.0	15.4	329	8.5	18.9
Day care	2,218	11.2	21.6	299	7.7	17.2
Nursery school or Preschool	801	4.1	7.8	20	0.5	1.2
School based activity	19	0.1	0.2	3	0.1	0.2
In school	88	0.4	0.9		0.0	0.0
Cared for by employed Mother	563	2.9	5.5	113	2.9	6.5

Primary Child Care Arrangements Used for Preschoolers by All Families & Families with Employed Mothers

	All preschoolers (under 5)			Under 1 year		
	Number	Percent	Percent	Number	Percent	Percent
Total children 5 and under	19,727	100.0	--	3,878	100.0	--
Children with mother not employed	9,439	47.8	--	2,140	55.2	--
Children with employed mother	10,288	52.2	100.0	1,738	44.8	100.0
Cared for by employed Mother	563	2.9	5.5	113	2.9	6.5
Father (in home of Child)	1,898	9.6	18.4	359	9.3	20.7
Grandparent (in home of Child)	604	3.1	5.9	124	3.2	7.1
Grandparent (in Provider's home)	1,068	5.4	10.4	192	5.0	11.0
Grandparent – total	1,672	8.5	16.3	316	8.1	18.2
Other relative (in home of Child)	355	1.8	3.5	73	1.9	4.2
Other relative (in Provider's home)	565	2.9	5.5	105	2.7	6.0
Other relative – total	920	4.7	8.9	178	4.6	10.2
Total children cared for by related persons	5,053	25.6	49.1	966	24.9	55.6
Total children cared for by related persons or by nonrelative in the the home of Child	5,577	28.3	54.2	1,088	28.1	62.6
Nonrelative (in home of Child)	524	2.7	5.1	122	3.1	7.0
Nonrelative (in Provider's home)	1,586	8.0	15.4	329	8.5	18.9
Other nonrelative – total	2,110	10.7	20.5	451	11.6	25.9
Day care	2,218	11.2	21.6	299	7.7	17.2
Nursery school or Preschool	801	4.1	7.8	20	0.5	1.2
School based activity	19	0.1	0.2	3	0.1	0.2
In school	88	0.4	0.9		0.0	0.0
Total children cared for by unrelated persons	5,236	26.5	50.9	773	19.9	44.5

CHILD-CARE CHOICES OF EMPLOYED MOTHERS
OF CHILDREN UNDER FIVE and UNDER ONE, 1994



Source: Bureau of Census, Current Population Reports P 70-62, *Who's Minding Our Preschooler? Fall 1994 (Update).*

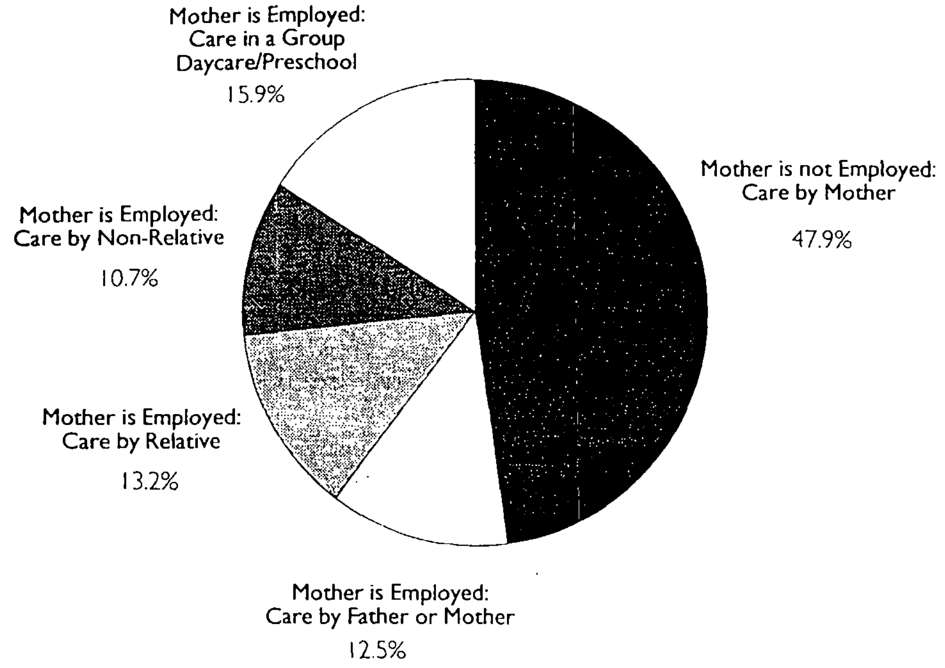
Under Five

	percent
Mother-Care at work	5.5
Father-Care	18.4
Grandparent	16.3
Other Relative	8.9
Relatives – total	49.1
Non-relative (in home)	5.1
Non-relative's home	15.4
Day-Care	21.6
Preschool & Other	7.8
Nonrelatives – total	50.9

Under One

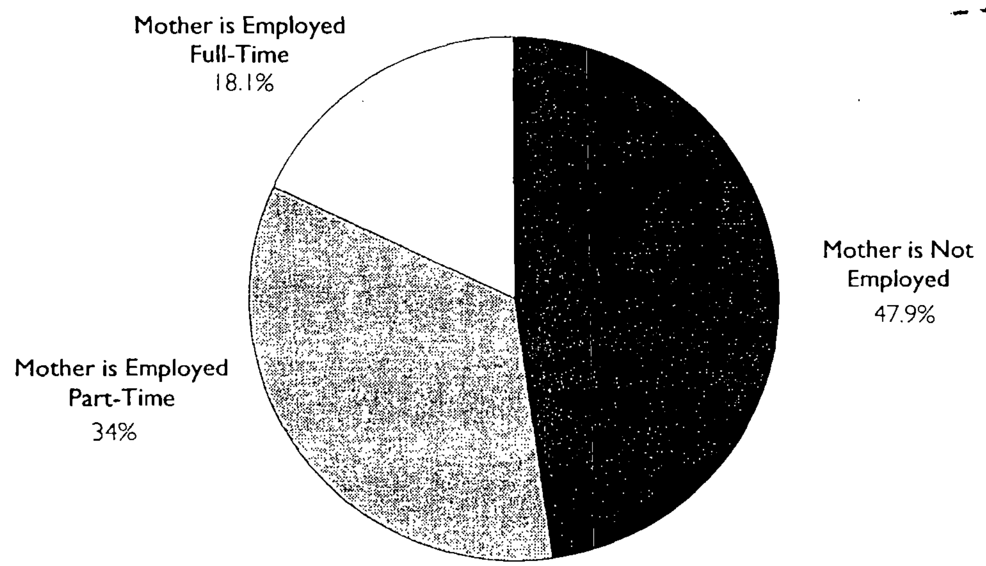
	percent
Mother-Care at work	6.5
Father-Care	20.7
Other Relative	10.2
Relatives – total	55.6
Non-Relative	25.9
Day-Care	17.2
Nonrelatives – total	44.5

Patterns of Child Rearing for Children Under Five



Note: Figures are from 1994.
Sources: U.S. Bureau of the Census, "Who's Minding Our Preschoolers?" Fall 1994 (Update), Detailed Tables and Documentation for P70-62, Issued November 1997, and U.S. Bureau of the Census, Population Division, United States Population Estimates, by Age, Sex, Race, and Hispanic Origin, release PPL-57, 1990-1996.

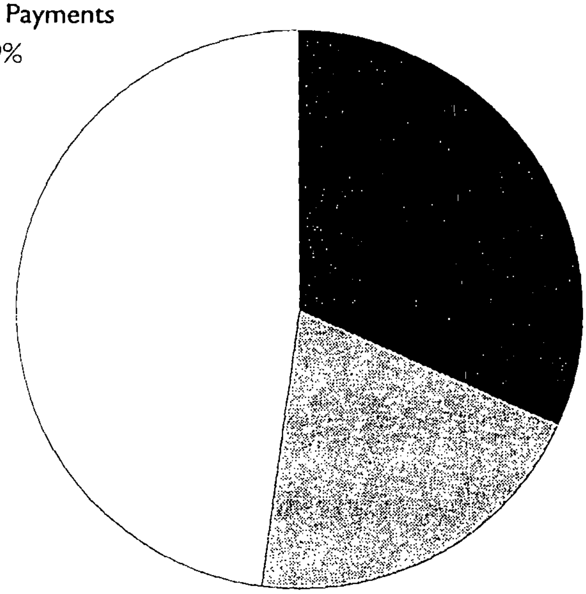
Children Under Five and Mother's Employment Status



Note: Figures are from 1994.
Sources: U.S. Bureau of the Census, "Who's Minding Our Preschoolers?" Fall 1994 (Update), Detailed Tables and Documentation for P70-62, Issued November 1997, and U.S. Bureau of the Census, Population Division, United States Population Estimates, by Age, Sex, Race, and Hispanic Origin, release PPL-57, 1990-1996.

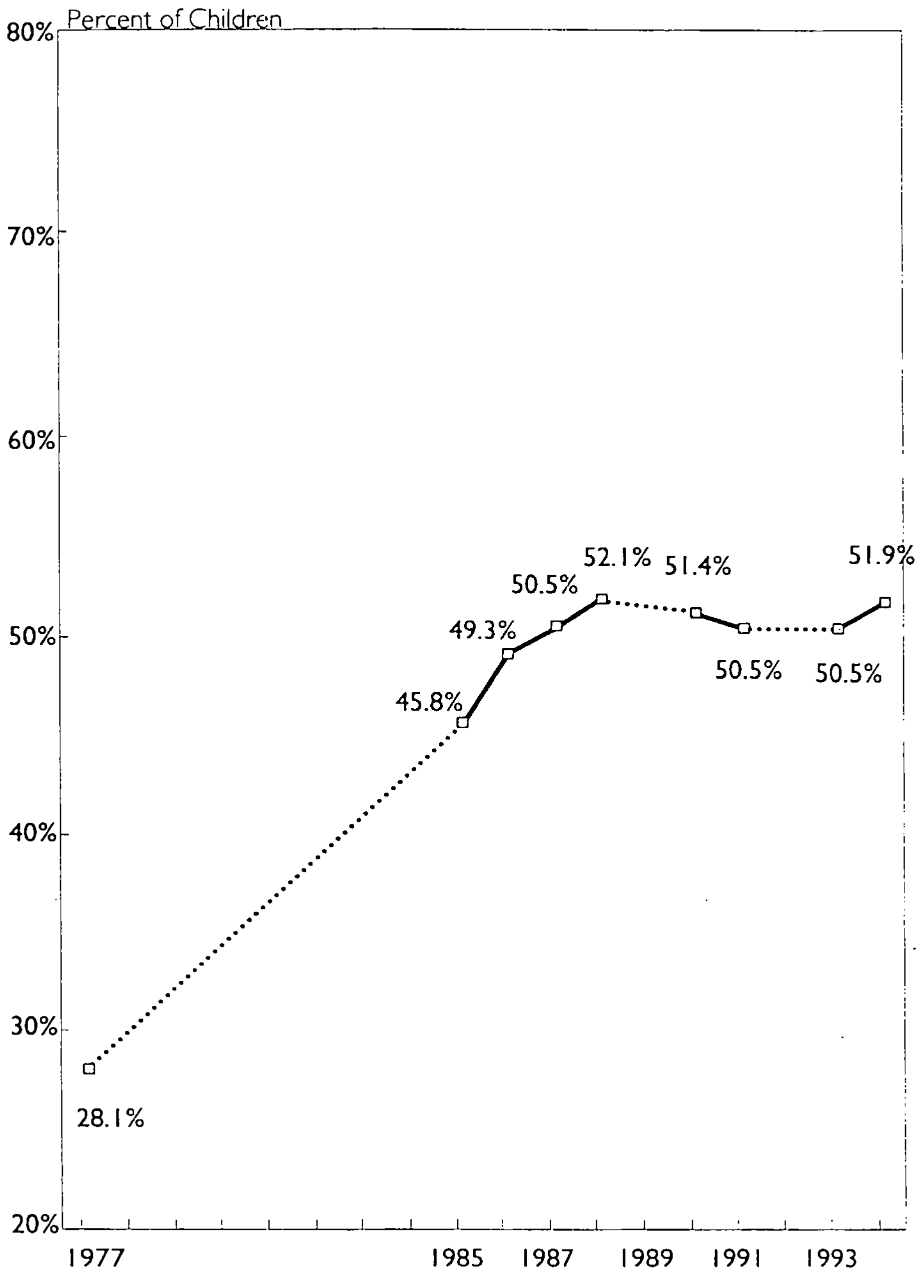
Chart 3 FYI 170

Use of Paid Day Care: Children Under Five



Note: Figures are from 1993 and 1994.
Sources: U.S. Bureau of the Census, "Who's Minding Our Preschoolers?" Fall 1994 (Update), Detailed Tables and Documentation for P70-62, Issued November 1997, and U.S. Bureau of the Census, Population Division, United States Population Estimates, by Age, Sex, Race, and Hispanic Origin, release PPL-57, 1990-1996.

Children Under Age Five With Employed Mothers, 1977-1994

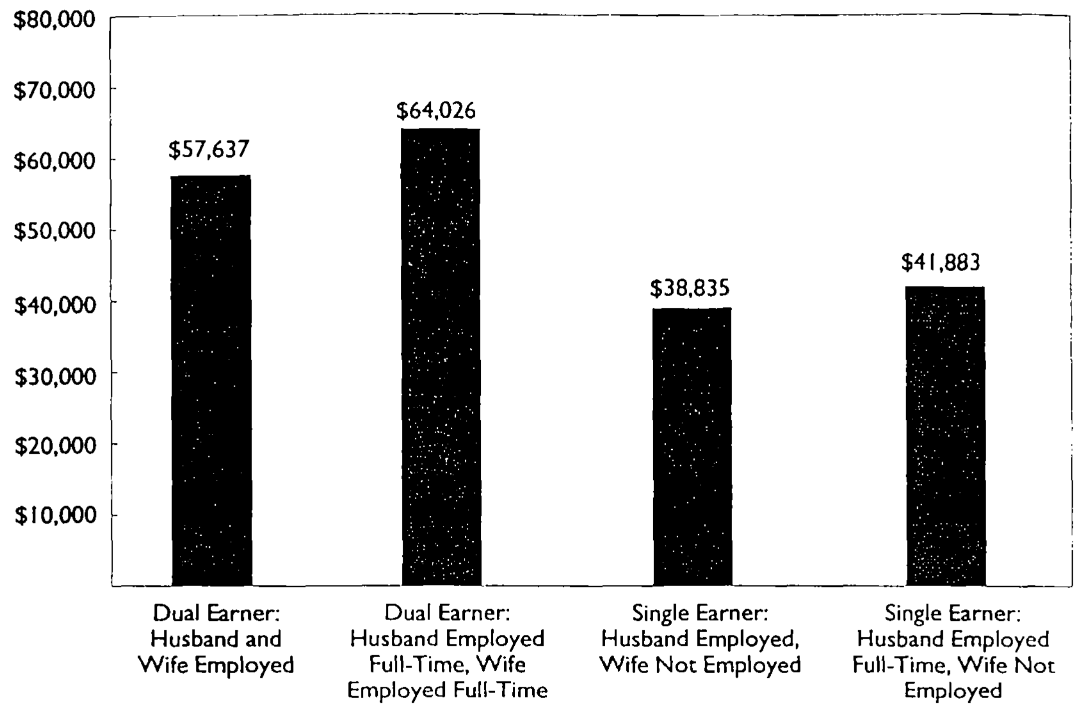


Note: All figures are from Fall and except for 1985, which is from Winter.

Sources: U.S. Bureau of the Census "Who's Minding Our Preschoolers?" Fall 1994 (Update), Detailed Tables and Documentation for P70-62, Issued November 1997 and U.S. Bureau of the Census, Population Division, United States Population Estimates, by Age, Sex, Race, and Hispanic Origin, various releases, 1977-1997.

Chart 5 FYI 170

Median Incomes of Married Couples With Children — 1996



Source: U.S. Bureau of the Census, Money Income in the United States: 1996, Current Population Reports P60-197, pp. 19-23.

Table 1 FYI 170

Types of Child Rearing Arrangements: Children Under Five (in thousands)

	Number of children in each type of care	Total children under five	Percentage of children in each type of care
Mother is not Employed: Care by Mother	9,439	19,696	47.9%
Mother is Employed: Care by Father or Mother	2,461	19,696	12.5%
Mother is Employed: Care by Relative	2,592	19,696	13.2%
Mother is Employed: Care by Non-Relative	2,110	19,696	10.7%
Mother is Employed: Care in a Group Daycare/Preschool	3,126	19,696	15.9%

Note: Figures are from 1994.
Sources: U.S. Bureau of the Census, "Who's Minding Our Preschoolers?" Fall 1994 (Update), Detailed Tables and Documentation for P70-62, Issued November 1997, and U.S. Bureau of the Census, Population Division, United States Population Estimates, by Age, Sex, Race, and Hispanic Origin, release PPL-57, 1990-1996.

Children Under Five and Mother's Employment Status (in thousands)

	Children in Category	Percentage of Children Under Five
Mother is not Employed	9,439	47.9%
Mother is Employed Part-Time	6,705	34.0%
Mother is Employed Full-Time	3,582	18.1%
Total	19,696	100%

Note: Figures are from 1994.
Sources: U.S. Bureau of the Census "Who's Minding Our Preschoolers?" Fall 1994 (Update) Detailed Tables and Documentation for P70-62, Issued November 1997, and U.S. Bureau of the Census, Population Division, United States Population Estimates, by Age, Sex, Race, and Hispanic Origin, release PPL-57, 1990-1996.

Mother's Employment and Types of Child Care for Children Under Five (in thousands)

Age of Child	Children with Employed Mothers	Total Children in Age Group	Percent with Employed Mothers
Under One Year	1,738	3,857	45.1%
One Year Olds	2,085	3,872	53.8%
Two Year Olds	2,201	3,955	55.7%
Three Year Olds	2,088	3,987	52.4%
Four Year Olds	2,175	4,024	54.1%
All Children Under Age Five	10,288	19,696	52.2%

Note: Figures are from 1994.
Sources: U.S. Bureau of the Census. "Who's Minding Our Preschoolers?" Fall 1994 (Update). Detailed Tables and Documentation for P70-62. Issued November 1997, and U.S. Bureau of the Census. Population Division, United States Population Estimates, by Age. Sex, Race, and Hispanic Origin. release PPL-57. 1990-1996.

NOTES ON THE DATA

The figures in this paper relating to the use of day care were derived from the Survey of Income and Program Participation (SIPP) conducted by the Bureau of the Census and from other Census data. SIPP findings are issued periodically in reports entitled *Who's Minding Our Preschoolers* (Series P70).

For the data presented here, the terms **"preschool"** and **"preschooler"** always refer to children under the age of five. Nearly all five-year-old children in the United States attend Kindergarten and are not included in the preschool population.

The term **"day care"** refers to care provided to a child during the time a mother is employed or engaged in self-employment activity. Day care is used to facilitate and support the mother's employment or self-employment activities intended to generate income. A number of non-employed mothers do place their three- and four-year-old children in preschool programs for a few hours per week in order to provide them with educational and developmental opportunities. Such use of preschools by non-employed parents is not considered day care, according to the SIPP survey, and is not included in the figures used in this report.

The term **"mother"** technically refers to the primary caregiver of the child within that child's family. Although most such caregivers were, indeed, the children's mothers, the category also includes a small number of guardians and fathers in single-parent/father-only families. The term **"employed mother"** also includes a small number of mothers or primary caregivers who attended school rather than held a job.

RECENT SURVEYS AND OPINION POLLS REGARDING WORK/FAMILY BALANCE

October, 1997

Certainly, affordable and accessible child care are important issues for today's parents. However, an equally, if not more, compelling issue of our day is that mothers and fathers want more time with their children. In addition, most people believe that the best care for a child is the care given by a parent. Consider just a few of the many opinion polls that support this conclusion:

A May, 1997 survey of 1101 American women by the **Pew Research Center for The People & The Press** found that 41% of women surveyed "thought that a family in which the father worked and the mother stayed at home was best for raising children." Only 17 percent of women surveyed said it was beneficial for children and society to have mothers work outside the home. Among women who work full time, only 41% said they were confident that their situation was good for their children. 44% of respondents with children under 18 "would choose to work part time rather than full time;" and 25% said they would "prefer to stay at home."

A February 1996 survey conducted for the **Independent Women's Forum** by The Polling Company found that more than half (55%) of adults are willing to trade some seniority or pay at work in exchange for more personal time. One third (33%) of all respondents would choose to have one parent at home full time with their children if their economic situation would allow.

The September, 1996 "Poll of Parents with Children at Home" by the polling firm Penn & Schoen for the **National Parenting Association** found that 94% of parents surveyed endorsed "Tax incentives to encourage family-friendly policies by employers, such as benefits for part-time workers and flexible working hours."

<u>Parents Magazine</u>/Women & Work Poll/Reader Survey results published May, 1996:

~ 43% of 18,000 mothers surveyed said they would like to stay home, nearly twice as many mothers who felt that way in 1989.
~ 68% of working mothers did not feel they had enough time with their family
~ If moms could choose to do whatever they wished: only 4% would choose full-time employment, 61% would work part-time, 29% would not choose any paid employment,
~ 56% of women felt "it is better for the child if the mother does not work"

A 1996 National Study of Women's Awareness, Attitudes, and Opinions conducted for **Concerned Women for America** by Wirthlin Worldwide (1015 participants) found that 8 out of 10 American women agree with the statement, "If I could afford it, I would like to stay home and be a full-time mother."

A May 1995 **Louis Harris and Associates poll, conducted with the Whirlpool Foundation and the Families and Work Institute** found interesting responses to the question of work preference if "you had enough money to live as comfortably as you'd like." Only 15% of the women and 33% of the men would work full-time; 33% of women and 28% of men would work part-time; and 20% of women and 17% of men would choose volunteer work.

A December 1994 **USA Today Weekend** reader write-in found 96% of 1,278 respondents would take a pay cut for more family time.

A 1994 **National Commission on Children** survey asked parents to assess the amount of time spent with their families. Fifty-nine percent responded that they needed more time with their families: 30% thought they "needed *a lot* more," while 29% indicated they "needed *a little* more." (Washington Post Health, July 19, 1994)

A May 1994 **Child Magazine survey** of 800 mothers with children below age 13 showed that 48% of mothers who work full-time would prefer cutting back their hours, 30% would stay home, and only 20% would continue with a full-time career.

A 1993 study by the **Families and Work Institute**, "The Changing Workforce," (a nationally representative study of 2958 waged and salaried workers) reported that 61% of the employees interviewed would switch jobs for flexible time and leave programs. More specifically, 79% of employees with children under 13 would be willing to change employers for more flexible work arrangements, and 81% of employees with children under 13 would be willing to sacrifice advancement for more flexible work arrangements. Seventy-six percent of young workers 18 through 24 years of age revealed that they were more willing to "make sacrifices in their education, careers, and jobs than in their personal and family lives."

In 1993, **Yankelovich's Monitor** reported that 56% of women would leave work to be with their families if they could afford to do so, in contrast to 38% responding similarly in 1989.

A 1991 **Washington Post** poll found that 55% of Americans believed a child is likely to suffer if his mother works outside the home, up from 48% in 1989. A 1990 Gallup poll for the Los Angeles Times showed 73% of the public believed children fare best when they have a mother at home. A 1990 **Times Mirror** poll found that 73% of respondents believed too many children are being raised in day care, up from 68% in 1987; and a 1990 **Time Magazine** poll of 18- to 29-year olds found that 63% hope to spend more time with their own children than their parents spent with them.

* Data compiled by Mothers at Home, 8310A Old Courthouse Road, Vienna, VA 22181

(mah/presrel/time.sam)

AT-HOME MOTHERS DEFY THE STEREOTYPES ~ SETTING THE RECORD STRAIGHT!

Prepared by:
Public Relations Department
Mothers at Home, Inc.
Publishers of Welcome Home
Vienna, VA
Revised/Updated December, 1997

Contact: Marian Gormley, Public Relations Director, 703-534-7858

Mothers at Home, Vienna, VA, founded in 1984, is the largest national [illegible] organization providing support and encouragement to at-home mothers.

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* Committed to:
  ~ affirming a mother's choice to be home throughout the many stages of motherhood;
  ~ providing mother-to-mother support, education and networking;
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FOR IMMEDIATE RELEASE:

AT HOME MOTHERS CHALLENGE DEFICIENCIES AND CLAIM BIAS IN CLINTON CHILD CARE PROPOSAL

Vienna, VA -- On January 8, President Clinton unveiled his $21.7 billion plan for further subsidizing non-parental care of our nation's children. Highlights of the proposal are expected to be heard at the January 27 State of the Union address.

> Heidi Brennan, Public Policy Director of Mothers at Home, states "Parents across the U.S. are finding creative ways to spend more time with their children. The President's new child care proposal will push both mothers and fathers into fulltime employment, subjecting their children ~ even in infancy ~ to extended hours of paid childcare. Research confirms that parent care is the best care. Why is the President trying to convince us that second-best care ~ at enormous cost to taxpayers ~ is good enough for our children?"

Mothers at Home reports that President Clinton and members of Congress -- under pressure by a powerful child care lobby to end the nation's so-called child care "crisis" -- are rushing to give America's parents what they don't want -- more subsidized out-of-home daycare. The fact is, mothers *and* fathers have been searching for and creating opportunities that allow them to rear their own children or limit the time their children spend in non-parental care. Whether they choose to pull back from full-time paid employment to part-time, open a home-based business, or quit employment altogether while their children are young, the motivation for most parents remains the same -- to keep their children out of full-time daycare. Ms. Brennan, a former management consultant and frequent speaker on family tax issues adds, "The likelihood of a federal budget surplus creates an enormous opportunity to support a new work/family paradigm. Unfortunately, the President and some members of Congress want to reward various special interest group lobbies through legislation which further industrializes family life."

> Diane Fisher, psychologist and Board Member of Mothers at Home, says "The real crisis involving our nation's children is the subtle shunting aside and denial of children's needs that is happening in our culture. Sadly, the White House appears ready to throw money at the work/children issue rather than address it in depth. A realistic appraisal of what daycare can and cannot do is needed: an over-reliance on daycare is dangerous to our children."

- More -

For more information or to schedule interviews, call:

Heidi Brennan, M.Ed, Public Policy Director of Mothers at Home, Mother of five
703-237-7219

Ms. Brennan is a former management consultant who has testified before Congress on tax issues. Her policy specialty is tax, family income, and family-friendly workplace options. A frequent speaker and interview guest, she most recently appeared on NPR radio and CNN's CrossFire and Talk Back Live programs.

Diane Fisher, Ph.D., Psychologist, Board Member of Mothers at Home, Inc. and Independent Women's Forum, Mother of three
513-248-2994

Dr. Fisher recently testified before the U.S. Senate Subcommittee on Children and Families about infant brain development research and the needs of children. She speaks and writes about work/family issues, child care policy, child development, and the needs of children.

* * * * * *

Issues/Fact Sheets Available to the Media On Request:

* Report on White House Conference on Child Care (10/97) by Heidi Brennan
* Testimony (6/5/97) of Dr. Fisher before U.S. Senate Subcommittee on Children and Families
* Recent Surveys and Opinion Polls Regarding Work/Family Balance
* Employment Statistics (Census Bureau)
* Highlights of the U.S. Child Care Movement

MAH Public Policy Packet: Covers issues such as the family tax burden, family-friendly workplace policies, employment and income statistics, and the impact of child care legislation on families with an at-home parent. Call 1-800-783-4666; $7.50 (S&H included) or send request to Mothers at Home, 8310A Old Courthouse Road, Vienna, VA 22182.

Mothers at Home, Vienna, VA, founded in 1984, is the largest and oldest national non-profit organization providing support and encouragement to at-home mothers.

* Award-winning monthly publication, ***Welcome Home***
* Publisher of three books: What's a Smart Woman Like You Doing at Home?, Discovering Motherhood, and Motherhood: Journey Into Love
* Furthers the interests of women who are at home through public policy, advocacy and media relations efforts
* Committed to:
  ~ affirming a mother's choice to be home throughout the many stages of motherhood;
  ~ providing mother-to-mother support, education and networking;
  ~ correcting society's misconceptions and refuting stereotypes about at-home mothers;
  ~ serving as advocates for children concerning their needs for generous amounts of their parent's time; &
  ~ empowering mothers to preserve and improve the opportunity for all women to choose home.

- End -

(mah/presrel/98clint.sam)

Mothers at Home™

NEWS RELEASE

PUBLISHERS OF Welcome Home®

8310A Old Courthouse Road • Vienna, Virginia 22182

For More Information, Contact:

Heidi Brennan: 703-237-7219
Marian Gormley: 703-534-7858

FOR IMMEDIATE RELEASE

ONE-SIZE-FITS-ALL CHILD CARE NOT THE SOLUTION FOR TODAY'S PARENTS

Vienna, VA -- The upcoming October 23 White House Conference on Child Care will address the strengths and weaknesses of the present child care system in America. Historically, our national child care advocacy movement[1] has worked to do far more than merely improve quality and availability for needy families. Its ultimate goal is to make substitute child care the norm for America's young children and infants. "Millions of parents, those at-home and those working part-time, are concerned that this conference and any resulting policy initiatives will ignore their preference to care for their own children. Further, resulting legislation has the potential to make it even more difficult for parents to care for their own children as well as find flexible and creative solutions to the work/family balance," states Heidi Brennan. Ms. Brennan is the Public Policy Director of Mothers at Home (MAH), the oldest and largest national, non-profit organization supporting at-home mothers.

> "The question of what is best for America's children and parents is best answered not by a carefully selected panel of experts at the White House, but rather by the actions of parents themselves. There is a message to be heard in the unprecedented and growing number of mothers and fathers who are starting and operating home-based businesses, negotiating new work models, and/or having one parent leave the paid workforce for a season of their life to work as the primary nurturing parent," says Brennan.

Although full-time child care is a necessity for some families, and a choice for others, it is *not* what the majority of America's parents want for their children.[2] Parents want respect and support for their decisions about how to care for their children. Parents don't want their government, influenced by the advice of some well-funded daycare and education interests or so-called "experts," to create and/or fund expensive "one-size-fits-all" solutions.

- More -

1 "Background/History of U.S. Child Care Lobby" available on request.
2 See attached "Recent Surveys and Opinion Polls Regarding Work/Family Balance."

Mothers at Home urges the President, Congress and legislatures to:

* Read the polls: expanding funding for full-time day care without similar breaks for at-home parents, endangers the choice of parental care, and is *not* what the majority of American parents want or need;

* Take alternatives to full-time child care seriously. Ask parents what they want, and expand government's support of part- and flex-time work, job-sharing and telecommuting options, informational resource clearinghouses regarding part-time child care and jobs, and career re-entry opportunities for parents returning to the paid workforce after rearing their children.

* Continue to enact economic and tax reforms in an effort to reduce the pervasive financial burden on families currently rearing dependent children, including corporate incentives for providing family-friend work policies other than those for full-time on-site day care,

* Communicate frankly with the American public about the complexities and limitations of current child care research as it relates to both the developmental and emotional needs of our nation's children; and

* Realize that solutions for our nation's highest risk and neediest families are not necessarily the same solutions required by the majority of American families.

Those attending the White House Conference on Child Care will no doubt hear proposals to increase federal funding for child care. Gail Richardson, Executive Director of the Child Care Action Campaign (CCAC), has been instrumental in the planning of the conference. The CCAC is a well-funded coalition of advocacy groups and for-profit businesses, working to increase the number of children in full-time, center-based care. This does not appear to represent a balanced or scientific discussion of either mainstream parents' or children's needs.

America has finally acknowledged that massive federal spending on welfare did not solve the problems of poverty and that returning the responsibility to states and local communities offered greater hope for solution. Yet, the federal government now stands poised to promote another big-government solution to the most personal challenges faced by parents. In the process, they are entirely ignoring what America's parents want and their children need: more time together.

To schedule an interview with Heidi Brennan, MAH Public Policy Director, or another MAH representative, call Heidi Brennan (703-237-7219) or Marian Gormley, Public Relations Director (703-534-7858). Due to an enormous demand for information on this and other public policy topics relevant to today's parents, MAH now has a public policy packet available. This packet covers such issues as the family tax burden, family-friendly workplace policies, employment and income statistics, and the impact of child care legislation on families with an at-home parent. Call 1-800-783-4666; $7.50 (S&H included).

Mothers at Home™

Heidi Brennan, Public Policy Director
8310A Old Courthouse Road
Vienna, Virginia 22182
Phone/Fax: 703-237-7219

Public Policy Information

*Editor's Note: The following information is adapted from **What's A Smart Woman Like You Doing At Home?** (Chapter 6: Setting the Record Straight) by Mothers At Home founders Linda Burton, Janet Dittmer, and Cheri Loveless (c. 1992, Mothers At Home).*

Understanding Employment Statistics: What Do They *Really* Mean?

For almost a generation now, the media has been pointing to statistics from the U.S. Department of Labor (DOL) and telling us that mothers are leaving home. As "working" mothers became a larger and larger group, reporters began to dramatize the apparent shift from a nation of "traditional families." So well-known and widely accepted have the DOL statistics become that hardly a reference to motherhood escapes mention of them -- whether in news coverage, at community meetings, or in testimony before Congress.

The assumptions many of us make when we hear the DOL figures quoted seem reasonable enough. At a glance, the actual numbers give indisputable evidence that combining a job with motherhood is a fact of life here to stay for most women. The percentage of married women who hold a job and whose youngest child is between ages six and eighteen rose from 49.2% in 1970 to 74.7% in 1990. For mothers of younger children (under six years old), the increase was even more dramatic, rising from 30.3% in 1970 to 58.4% in 1990.

While there appears to be no need to argue with the validity of these statistics, there are, however, grossly inaccurate perceptions about mothers and working -- not because the DOL statistics are incorrect, but rather because of the carelessness in the way they have been presented to the public. Comparing what the DOL statistics *actually* measure to what we have been led to believe they measure, yields a surprising conclusion: Many mothers called "working mothers" by the DOL and the media consider themselves "at home."

The Department of Labor Definition of "Work"

The DOL statistics on working mothers are extrapolated from the results of a survey conducted by the Bureau of Census called the Current Population Survey. Once a month, trained interviewers are dispatched with this survey to a national sampling of about 59,500 "scientifically selected" households throughout all fifty states and the District of Columbia. These interviewers ask standardized questions about the work status of all persons sixteen years of age or older who are living in the targeted homes.

Although survey information is gathered each month, figures on working mothers are only officially tabulated once a year, based on responses given during the month of March. The Bureau of Labor Statistics then estimates how many mothers are working in the entire U.S. labor force by tallying the numbers obtained from those sample households. (The survey is judged to have a relatively small margin of error.)

Because the objective of the survey is to identify trends by comparing labor force participation from year to year, the DOL has had to devise a standard definition of "employment." This definition, as printed in an "Explanatory Notes" section of the annual DOL news release on mothers and employment reads:

Employed persons are those who, during the survey week: (a) did any work at all as paid civilians; (b) worked in their own business or profession or on their own farms; or (c) worked fifteen hours or more as an unpaid worker in a family-operated enterprise. Also included are those who were temporarily absent from their jobs for such reasons as illness, vacation, bad weather, or labor-management disputes.

This definition clearly encompasses more than the full-time working mothers most people have imagined. According to the DOL, the 62.7% of *all* mothers who are usually described as "working outside the home" also includes:

- Mothers who work part-time, including as little as one hour per week.
- Mothers who work seasonally, as little as one week out of the year.
- Mothers who work from their homes either part-time or full-time, (including those mothers who provide child care for others).
- Mothers who work without pay for a "family-operated enterprise" at least fifteen hours per week.
- Mothers who work full-time but have flexible hours.
- Mothers who are on maternity leave, whether or not they return to their jobs.

The DOL definition of employment allows for the fact that some labor force participants will be home for one reason or another during the week they are interviewed. Therefore, persons home on vacation, on sick leave, or even on strike, whether or not they are being paid during their absence from work, are instructed to base their survey response on ther "normal" work week. Women who are home on maternity leave are, according to these guidelines, counted among the working population.

The Media Version of the DOL Statistics

Once we understand that the purpose of the DOL statistics is to measure *total* labor force participation, it seems obvious that part-time workers, those who work from home, and those on leave should indeed be included in the figures. Yet, the general public mistakenly believes these annual statistics represent only mothers who work full-time *away* from their homes.

To avoid counting mothers in the survey more than once, the DOL lists each mother only by the age of her *youngest* child. Unless this fact is explained to the public, however, most people believe that "mothers with children under the age of eighteen" means mothers whose children are *all* under the age of eighteen. In fact, many of the DOL's working mothers are women whose oldest children are grown, who have, perhaps, one teenager still living at home.

Some news stories, in place of the percentage of mothers who are actually employed (62.7% for 1990), quote a slightly higher figure (66.7% for 1990). This higher figure includes both mothers currently participating in the labor force *and* those who are unemployed but who are looking for jobs. Again, it is the rare newswriter who takes the time to explain that 4% of the women in this statistic report that they are seeking employment but are presently at home.

Many articles on latch-key children and the debate over child care begin with a statement such as, "According to the Department of Labor more than half of today's mothers now work outside the home." This conjures up visions of half the nation's mothers leaving their children alone or in institutional care for most of each workday.

The Impact of This Statistical Misunderstanding

Unfortunately, misunderstandings rooted in the misuse of the DOL statistics have been far-reaching. First of all, the media itself has not been inclined to speak for, to, or about a population they believe to be a dwindling minority. Even today, a publication oriented to the daytime homemaker and mother -- or one who acknowledges her existence -- is difficult to find. Secondly, advertisers and businesses, conscious of the "bottom line," have not wanted to risk selling to or manufacturing for a population they believe isn't there.

However, the most frightening result of misunderstanding the DOL statistics has been in the area of public policy, especially regarding child care. Although "working mothers" include women who participate in the labor force in a variety of ways, the notion persists that every working mother needs and desires substitute care for her children. This mistaken assumption has led many well-intentioned people to routinely misuse the DOL statistics as "proof" of the need for more institutional child care.

The message widely reported from the DOL statistics is largely a true one. Mothers today *are* indeed participating in the work force in record numbers. There are more mothers than ever solely responsible for the economic well-being of their families or jointly responsible where a single income will not make ends meet. Mothers today have had more choices of careers, and more opportunities to continue pursuing them through their child-rearing years.

But there is another message hidden in these statistics that is not widely reported, and which the prevailing reports sometimes mistakenly deny. It is that mothers continue to make great efforts to spend as much time with their children as possible. Not only do millions of mothers resist economic and social pressure and remain outside the paid workforce, but millions of DOL "working mothers" participate in the labor force in creative and non-traditional ways just so they will be available to their children a majority of the time.

The Department of Labor statistics, as misinterpreted by the general public, daily influence decisions in millions of home, in thousands of business establishments, and even in local, state, and federal government policy. Since these decisions are shaping the future of the country, it is imperative that the statistics be properly understood.

Note: The DOL statistics reported here are for 1990. The MAH Public Policy Dept. will be updating them at the end of 1997. However, media reports at this time show no substantive change.

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Motherhood is indeed in the midst of a radical transformation. There are real and permanent changes taking place. But these changes are ***not*** *those that are presumed and frequently discussed by the media.*

After a decade of deep internal conflict, a new American mother is emerging -- one who will soon comprise an unquestioned majority. She is the mother who is learning to put family first without putting herself last. She is the mother who is willing to creatively experiment with her options until she finds a balance between personal and economic needs and her desire to spend more time at home. She is the mother who is shifting her work hours, dropping to part-time employment, starting a home business, or quitting work completely -- whatever it takes to give priority to her home and to those she loves.

*-- Linda Burton, Janet Dittmer, and Cheri Loveless (****What's A Smart Woman Like You Doing At Home?****, c. 1992, Mothers At Home, publishers).*

Mothers at Home™

Heidi Brennan, Pubic Policy Director
8310A Old Courthouse Road
Vienna, Virginia 22182
Phone/Fax: 703-237-7219

Public Policy Information

Public Policy Update

Reprinted from December 1997 issue of *Welcome Home®*

White House Child Care Conference

by Heidi L. Brennan

On October 23, the White House held a proclaimed "first-ever" White House Conference on Child Care, hosted by President and Mrs. Clinton and Vice-President Gore, to address the strengths and weaknesses of the present child care system in America. One hundred guests listened to two panels of speakers in an all-day presentation on the theme of more "affordable, accessible, and quality child care."

During the luncheon, Sen. Christopher Dodd (D-CT) thanked the guests for their many years of promotion efforts for child care, and promised them legislation that would vastly expand government funding to help middle-income families as well as more funds for low-income families. Earlier in the day, Sen. Dodd announced a special proclamation passed by Congress: beginning in 1998, a "Child Care Providers Appreciation Day" will be recognized on the last Friday of every April. The President and other speakers throughout the day referred to child care providers as the "unsung heroes of America." No mention was made of at-home parents.

Members of Congress, their staffs, and special guests were able to view a large screen satellite feed of the day's proceedings while being provided a free catered breakfast and lunch. Over one hundred satellite feeds were also provided to sites in nearly all fifty states.

Our national child care advocacy movement has sought to do far more than simply improve the quality and availability of child care for those who desperately need it. A review of the history reveals that this movement has always focused on making full-time substitute child care the norm for most American families.

1970s–Early Child Care Initiatives

The claim that this is the first-ever White House child care conference is inaccurate. In 1970, President Nixon hosted a White House Conference on Children. The resulting report cited "new" research demonstrating daycare to be "highly beneficial to the social and intellectual functioning of children" and declared that "society has the ultimate responsibility for the well-being and optimum development of all children." The panel recommended that the federal government establish a network of "comprehensive developmental child-care centers" to accommodate 5.6 million children by 1980, and to fund and train an additional 500,000 child-care workers." Indeed, Nixon laid the groundwork for that conference and subsequent child care legislation by calling in 1969 for "a national commitment" to give "all American children an opportunity for healthful and stimulating development during the first five years of life."

Congress passed the first broadly targeted child care legislation in 1973, but it was ultimately vetoed by Nixon. In 1973 the first child care deduction passed, and three years later it was replaced with an expanded child care credit (Dependent Care Tax Credit). Also in 1976, Congress approved Title XX of the Social Security Act, which became the largest single federal program in direct support of child care.

1980s–Growth of Child Care Movement

The most recent major initiative for substantially expanding federal subsidies for child care was in 1987-88. The ABC bill (Act for Better Child Care) was supported by a broad coalition of groups which has continued to work since that time to expand funding and regulation. Other child care spending bills were later passed as parts of various block grants to states, with targeted funds to low-income families.

The guiding vision for a national model of child care, with an estimated cost of 75 to 100 billion dollars, was set forth by Dr. Edward Zigler in a speech at the National Health Policy Forum, September 23, 1987. (Several speakers at this year's White House Conference on Child Care alluded to Zigler's vision as the model they sought for future child care.)

Dr. Zigler is the Sterling Professor of Psychology and Director of the Bush Center for Child Development and Social Policy, Yale University. He is perhaps the most influential child development professional in public policy, and was the first Director of the Office of Child Development (since renamed) under Nixon and participated in the 1970 White House conference. In his 1987 presentation, he had this to say:

"We can solve the child care crisis by implementing a second system within already existing elementary school buildings, where formal education takes place, and creating the school of the twenty-first century. This second system will operate on-site child care for children ages three to twelve, and will have three outreach programs: a family support system for first time parents; support for family daycare homes within the neighborhood; information and referral services.

"Next, we should take all the family daycare homes surrounding the school and combine them into a network with the school's child care system providing the hub of this network...(which) would monitor, train, and generally support the family daycare mothers (who would take care of children under age three).... When most women are in the work force, we can expect that this nation will not be opposed to a tax for child care. However, during the interim period, in order to absorb costs, and to keep quiescent the vocal and active minority of taxpayers who do not wish to see public monies expended to aid women's entry into the out-of-home work force, I suggest a fee system... private businesses should be induced to routinely include child care as a conventional fringe benefit for employees...This plan is the fruit of almost a quarter of a century of my thought on this matter...We must institutionalize high quality child care for each and every child who requires such care."

1990s–Pressure to Expand Child Care Funding

Public relations groundwork for the White House Conference on Child Care was laid last spring, when the White House also hosted its "Conference on Early Childhood Development: What the Newest Research on the Brain Tells Us About Our Youngest Children" (4/17/97). This conference was but one part of a national communications campaign about early childhood and infant brain development.

The highest profile organization to promote child care expansion is the Child Care Action Campaign, which got its start during the ABC legislative effort. Based in New York City, CCAC Executive Director Gail Richardson was instrumental in the development of the White House Child Care Conference.

Meanwhile, previous legislative attempts to reduce the tax burden on families finally resulted in the passage of a limited $500 child tax credit. Unfortunately it only marginally addresses the many decades of increased tax burden on families with dependent children. Furthermore, tax code discrimination remains in place against married couples and families who do not purchase child care, thus are not qualified for the current Dependent Care Tax Credit (DCTC).

* * *

While the recent White House Conference on Child Care narrowly focused on child care, numerous public opinion polls confirm what Mothers At Home has learned. For nearly fifteen years, MAH has received an enormous number of comments from both at-home and employed mothers. Parents prefer the type of assistance that allows them to make their own choices regarding the care of their children. More specifically, they want:

(1) Support and incentives for ongoing family-friendly changes in our workplaces which emphasize time with children rather than time away from them. A rapid expansion of a wide range of part-time career/work, telecommuting, flex-time, and job-sharing options; as well as improved career re-entry opportunities for mothers and fathers returning to the paid labor force after rearing children.

(2) Significant economic and tax reforms to reduce the pervasive financial burden on families currently rearing dependent children.

(3) Support for local efforts to expand informational resource clearinghouses on work and child care options which support the real work/family balance.

(4) An acknowledgment that solutions for our highest risk and neediest families are not necessarily the same solutions required by the majority of American families.

(5) An honest discussion, evaluation, and presentation of current child care research and its current complexities and limitations.

(6) A cultural renaissance recognizing the dignity of work parents do in nurturing their children.♡

Heidi Brennan, Marian Gormley, and Margie Johnson of the MAH management team attended the Congressional satellite feed of this conference. Later that day, Heidi appeared on CNN's Crossfire, *with co-hosts John Sununu and Bill Press. She debated producer/actor Rob Reiner, who has been a leader in early childhood development and child care issues.*

214 Massachusetts Avenue, N.E.
Washington, D.C. 20002-4999
(202) 546-4400
http://www.heritage.org

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FACTS ABOUT AMERICAN FAMILIES AND DAY CARE

Robert Rector
Senior Policy Analyst

Contemporary myth suggests that parental care of children in the United States has all but disappeared, nearly all mothers are employed, and nearly all preschool children are being cared for in day-care centers. The facts, according to the most recently available data from the Census Bureau, present a dramatically different picture. According to the Census data, nearly half (48 percent) of all American children under the age of five do not have employed mothers and are still being cared for in the home.

Current Patterns of Child Rearing. A related misconception is that maternal employment and day-care use are increasing rapidly. This is also untrue. Although day-care use did increase rapidly through the late 1980s, the increase has come to a halt in recent years. The percentage of children under age five with employed mothers nearly doubled from the mid-1970s through 1988. But in subsequent years, maternal employment remained fixed; in 1994 (the last year reported by the Census), the percentage of preschool children with employed mothers was still 52 percent, the same as it was in 1988.

Moreover, if the mother of a child under five years old is employed, she is unlikely to be employed full-time. Overall, 48 percent of preschool children have non-employed mothers, 34 percent have mothers who are employed part-time, and only 18 percent have mothers who are employed full-time. (The number of preschoolers whose mothers are employed full-time throughout the year would be even lower.)

When the mother is employed, use of formal day-care centers is relatively uncommon. Far more common is care given by parents and relatives. Some 12 percent of preschool children are cared for by the mother while she is employed or by the father during the mother's hours of employment. (This group includes tag-team parents who work different shifts so that one can remain at home while the other is working.) Finally, some 13 percent of preschool children are cared for by other relatives, such as grandparents or aunts, while the mother is employed.

The 27 percent of preschool children who are cared for by neither parent nor relative can be divided into two groups: Some 11 percent are in informal care with neighbors or nannies; another 16 percent are in day-care or preschool centers.

The Real Picture of Preschool Care. These figures paint a picture that is the exact opposite of that advanced by most advocates of professional day care. Examining the data on preschool children as a group reveals that:

- 48 percent are cared for by a non-employed mother;
- 12 percent are cared for by the mother or father while the mother is employed;
- 13 percent are cared for by relatives;
- 11 percent are in informal non-relative care; and
- 16 percent are in formal day care or preschool while the mother is employed.

Overall, some 73 percent of children under the age of five are cared for by their parents or other relatives. And only one preschool child in six is cared for in a formal day-care or preschool center while the child's mother is employed.

The high prevalence of parental and relative care means that the use of paid day care is comparatively uncommon. Only about one-third of children under age five are in some form of paid day care while the mother is employed.

The Impact on Family Income. Nearly 80 percent of the preschool children using any form of day care come from married-couple families with two income earners. In 1996, the median income of married couples with children when both parents were employed was $57,637. By contrast, vast numbers of married couples make a large financial sacrifice so that one parent can remain at home with their children. In 1996, the median income of married couples with children when the husband, but not the mother, was employed was $38,835. Thus, the incomes of two-parent/single-earner families are some $20,000 a year less on average than the incomes of dual-earner families who are the predominant users of day care.

Families and Taxes. All families with children have suffered from the enormous increase in government taxation during the past 50 years. In 1948, the average family of four paid 3 percent of its income to the federal government in direct taxes; by 1997, the tax burden had risen to 24.7 percent. When state, local, and indirect taxes are added, the total tax bite rose to 38 percent in 1997.

Congress recently enacted family tax relief in the form of a tax credit worth $400 per child in 1998 and $500 per child each subsequent year. Because of this credit, federal direct taxes on the typical family of four will fall from 24.7 percent in 1997 to 23.3 percent in 1998. *This cut represents the first real and sustained reduction in the federal tax burden on families with children in all of the last half-century.*

This is a laudable first step in reducing the tax burden on families with children. Congress should build on this foundation by providing additional tax relief to families with preschool children. This tax relief should be broad-based and non-discriminatory: It should be available to all taxpaying families with preschool children—not merely the small and affluent minority of parents who use paid day care.

The Chattanooga Times

January 29, 1998, Thursday

SECTION: National; Pg. D8
LENGTH: 661 words
HEADLINE: GOP would cut taxes, aid moms who stay home
BYLINE: **By Laura Meckler, The Associated Press**

BODY:

WASHINGTON -- Congressional Republicans are offering a child-care plan that focuses on tax cuts and stay-at-home mothers. But the whole issue is low on the leadership's list of priorities.

Sen. John Chafee, R-R.I., led a group of moderate Republicans in introducing a bill Wednesday, and said he was disappointed that child care did not make the GOP leaders' list of 19 priorities for the coming months.

"They don't really care about this issue," said Sen. Chris Dodd, D-Conn., who has introduced his own bill. "It's quite apparent."

To give momentum to the GOP bill, President Clinton offered encouraging words, saying the Republican measure mirrors many of his own proposals. "With this important contribution from Senator Chafee and his Senate colleagues, we move significantly closer to enacting child-care legislation that is right for America's children," Clinton said in a statement.

In the House, many Republican leaders would just as soon leave child care alone, said Rep. Clay Shaw, R-Fla., who chairs a Ways and Means subcommittee that handles some child-care issues.

Shaw said there is plenty of federal child-care money available already for people coming off welfare, and Washington doesn't need to subsidize middle- and upper-middle-class families. Still, he said, the GOP may have no choice in this election year.

"I don't want to be perceived as being against child care but at some point you have to draw the line, and politically it's very awkward to do that," Shaw said. "It's an election year so people are going to act a little funny."

Republicans say they are prepared to answer Clinton's call for a $21.7 billion program that combines subsidies for low-income parents, tax credits for middle-class parents and tax incentives for businesses that provide their workers with child care.

In both the House and Senate, leaders are talking about tax credits for parents who stay at home to care for their children. And they're making the case for broad-based tax cuts that would give families more money to spend however they see fit.

Both approaches are in contrast to Clinton's plan, which targets working parents.

In the Senate, Republican Dan Coats of Indiana plans a news conference today to push his argument that new money should be targeted to parents who stay at home with their children. He'll tout a poll by the conservative Family Research Council indicating parents would prefer to spend more time with their children if they could afford it.

Chafee's bill would allow stay-at-home parents to qualify for the dependent-care tax credit, which is available to working parents to offset the cost of child care. But, he notes, his plan would provide a maximum of just $900 per year per family -- not enough for most parents to give up a second income.

"That's not going to take care of (many) working moms," he said.

His plan is estimated to cost about $12 billion over five years, including $5 billion for subsidies to low-income working parents.

But two co-sponsors, Sens. Orrin Hatch, R-Utah, and Susan Collins, R-Maine, emphasized its aid to stay-at-home parents.

"For the first time, we establish that a parent in the home is child care and sacrificing a second income is an expense," Hatch said.

Some wonder if Congress is sending mixed messages. Members tout new research showing the crucial brain development during a child's early years and argue parents should be encouraged to stay home. Yet the welfare overhaul law requires mothers to work.

In the House, Republican leaders have appointed Reps. Jennifer Dunn of Washington and Deborah Pryce of Ohio -- two working mothers -- to formulate child-care strategy. They are pushing for tax breaks.

"You have to decide how invasive should the federal government be in the lives of taxpayers," Dunn said Wednesday. "Leaving more dollars in the pockets of families is going to allow them to do whatever they want to do with the money."

LANGUAGE: ENGLISH
LOAD-DATE: January 29, 1998

The Bulletin's Frontrunner

January 29, 1998, Thursday

SECTION: WASHINGTON NEWS
LENGTH: 499 words
HEADLINE: Republicans Offer Child Care Plans.

BODY:
The AP (1/28, Meckler) reported although congressional Republicans are " offering a child care plan that focuses on tax cuts and stay-at-home mothers," the issue is "low on the leadership's list of priorities." Sen. John Chafee (R-RI) "led a group of moderate Republicans in introducing a bill" yesterday, and he said he was "disappointed that child care did not make the GOP leaders' list of 19 priorities for the coming months." Sen. Christopher Dodd (D-CT), who has "introduced his own bill," said, "They don't really care about this issue. It's quite apparent." **The AP added that in a statement designed to "give momentum to the GOP bill," President Clinton "offered encouraging words, saying the Republican measure mirrors many of his own proposals."** Chafee's measure would "allow stay-at-home parents to qualify for the dependent-care tax credit, which is available to working parents to offset the cost of child care." However, Chafee said the plan would "provide a maximum of just $900 per year per family -- not enough for most parents to give up a second income," adding, "That's not going to take care of (many) working moms." The AP added that the Chafee bill is "estimated to cost about $12 billion over five years, including $5 billion for subsidies to low-income working parents." Sens. Orrin Hatch (R-UT) and Susan Collins (R-ME), who are cosponsoring the legislation, "emphasized its aid to stay-at-home parents." Meanwhile, Sen. Dan Coats (R-IN) will hold a news conference today to "push his argument that new money should be targeted to parents who stay at home with their children." Coats will "tout a poll by the conservative Family Research Council indicating parents would prefer to spend more time with their children if they could afford it." On the House side, Rep. Clay Shaw said many GOP leaders would "just as soon leave child care alone," but Republicans "may have no choice in this election year."

The Salt Lake Tribune (1/29, Ramstack) reported, "Sen. Orrin Hatch proposed a bill Wednesday that would give tax breaks to working parents and encourage their employers to provide child-care facilities. Unlike previous proposals, this measure also would give a tax break to parents who stay at home to care for children. 'We must also realize the value of a parent in the home and that the sacrifice of a second income is also a child-care expense.'" Hatch, along with four other senators, is sponsoring a bill that would allow " parents who earn less than $30,000 a year to be able to deduct half their child-care expenses from their taxes. Parents who stay at home to care for children could qualify for an additional tax break, which would be worth about $900 a year," the Tribune said. The bill would also "authorize $5 billion in Federal funds over five years for states to operate their own child-care programs. The bill also would create a tax credit for small businesses to provide child-care facilities to employees."

LANGUAGE: ENGLISH

LOAD-DATE: January 29, 1998

AP Online

January 29, 1998; Thursday 05:30 Eastern Time

SECTION: Washington - general news
LENGTH: 265 words
HEADLINE: GOP Wants Plan Favoring Home Moms
DATELINE: WASHINGTON

BODY:

Congressional Republicans want a child-care plan that focuses on tax cuts and stay-at-home mothers.

Sen. John Chafee, R-R.I., led a group of moderate Republicans in introducing a bill Wednesday, and said he was disappointed that child care did not make the GOP leaders' list of 19 priorities for the coming months.

In the House, many Republican leaders would just as soon leave child care alone, said Rep. Clay Shaw, R-Fla., who chairs a Ways and Means subcommittee that handles some child-care issues.

Shaw said there is plenty of federal child-care money available already for people coming off welfare, and Washington doesn't need to subsidize middle- and upper-middle-class families. Still, he said, the GOP may have no choice in this election year.

"I don't want to be perceived as being against child care but at some point you have to draw the line, and politically it's very awkward to do that," Shaw said. "It's an election year so people are going to act a little funny."

Republicans say they are prepared to answer Clinton's call for a $21.7 billion program that combines subsidies for low-income parents, tax credits for middle-class parents and tax incentives for businesses that provide their workers with child care.

In both the House and Senate, leaders are talking about tax credits for parents who stay at home to care for their children. And they're making the case for broad-based tax cuts that would give families more money to spend however they see fit.

Both approaches are in contrast to Clinton's plan, which targets working parents.

LANGUAGE: ENGLISH

LOAD-DATE: January 29, 1998

The Associated Press

AP Online

January 28, 1998; Wednesday 19:52 Eastern Time

SECTION: Washington - general news
LENGTH: 602 words
HEADLINE: GOP: Dont Forget Stay-At-Home Moms
BYLINE: LAURA MECKLER
DATELINE: WASHINGTON

BODY:

Congressional Republicans are offering a child-care plan that focuses on tax cuts and stay-at-home mothers. But the whole issue is low on the leadership's list of priorities.

Sen. John Chafee, R-R.I., led a group of moderate Republicans in introducing a bill Wednesday, and said he was disappointed that child care not make the GOP leaders' list of 19 priorities for the coming months.

"They don't really care about this issue," said Sen. Chris Dodd, D-Conn., who has introduced his own bill. "It's quite apparent."

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Chafee's bill would allow stay-at-home parents to qualify for the dependent-care tax credit, which is available to working parents to offset the cost of child care. But, he notes, his plan would provide a maximum of just $900 per year per family not enough for most parents to give up a second income.

"That's not going to take care of (many) working moms," he said.

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LANGUAGE: ENGLISH

LOAD-DATE: January 28, 1998

First, the maximum credit percentage is increased from 30 percent to 50 percent to provide more benefits to those most in need. Second, the income level at which the maximum credit begins to be reduced is moved from $10,000 to $30,000, so that more lower-income families will qualify for the maximum amount of assistance. Third, we propose to completely phase out the credit for wealthier families. Finally, families where one spouse stays at home to care for the children will be eligible for a credit similar to the one they would receive if both parents were working outside the home and the child was in daycare.

We also acknowledge that we cannot solve the entire child care problem through the tax code alone. Many low-income families do not have taxable income, and therefore cannot benefit from a tax credit. The Child Care and Development Block Grant (CCDBG) provides critical funding to help these lower-income families—and I have been a strong supporter of the program. Recognizing the critical role CCDBG plays in subsidizing daycare for low-income families in the states, our proposal doubles the block grant over a five-year period.

Of course, the problem with child care is not limited to just affordability. Many parents cannot find an available child care slot. Our proposal addresses this issue of accessibility by providing a tax credit to businesses to build or renovate on or near-site child care centers for their employees.

Finally, there is the issue of quality daycare. Parents cannot be productive in the workplace if they are constantly worrying about the health and safety of their children in daycare. We have all read the horrifying stories in the newspapers about daycare facilities that are unsafe or unsanitary, about the poor record of enforcement of standards in many states.

while we acknowledge that the federal government should not be setting standards for daycare providers, we do believe the states should set at least minimum health and safety standards and enforce them rigorously. Our legislation beefs up this enforcement by rewarding states with a good enforcement record and penalizing those with poor records.

I am very proud of this legislation, and proud that this group was able to come together and produce this initiative. Child care is a problem that must be solved, and we are committed to doing that. I look forward to working with the President and my colleagues in the Congress to find workable, affordable solutions for all families.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1577

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

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Caring for Children Act".

(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

TITLE I—TAX RELIEF TO INCREASE CHILD CARE AFFORDABILITY

SEC. 101. EXPANSION OF DEPENDENT CARE TAX CREDIT.

(a) PERCENTAGE OF EMPLOYMENT-RELATED EXPENSES DETERMINED BY TAXPAYER STATUS.—Section 21(a)(2) of the Internal Revenue Code of 1986 (defining applicable percentage) is amended to read as follows:

"(2) APPLICABLE PERCENTAGE DEFINED.—For purposes of paragraph (1), the term 'applicable percentage' means 50 percent reduced (but not below zero) by 1 percentage point for each $1,500, or fraction thereof, by which the taxpayers's adjusted gross income for the taxable year exceeds $30,000.".

(b) MINIMUM CREDIT ALLOWED FOR STAY-AT-HOME PARENTS.—Section 21(e) of the Internal Revenue Code of 1986 (relating to special rules) is amended by adding at the end the following:

"(11) MINIMUM CREDIT ALLOWED FOR STAY-AT-HOME PARENTS.—Notwithstanding subsection (d), in the case of any taxpayer with one or more qualifying individuals described in subsection (b)(1)(A) under the age of 4 at any time during the taxable year, such taxpayer shall be deemed to have employment-related expenses with respect to such qualifying individuals in an amount equal to the greater of—

"(A) the amount of employment-related expenses incurred for such qualifying individuals for the taxable year (determined under this section without regard to this paragraph), or

"(B) $150 for each month in such taxable year during which such qualifying individual is under the age of 4.".

(c) EFFECTIVE DATE.—The amendments made by this section apply to taxable years beginning after December 31, 1998.

SEC. 102. PROMOTION OF DEPENDENT CARE ASSISTANCE PROGRAMS.

(a) PROMOTION OF DEPENDENT CARE ASSISTANCE PROGRAMS.—The Secretary of Labor shall establish a program to promote awareness of the use of dependent care assistance programs (as described in section 129(d) of the Internal Revenue Code of 1986) by ployers.

(b) AUTHORIZATION OF APPROPRIATI .—There is authorized to be appropriated to carry out the program under paragraph (1) $1,000,000 for each of fiscal years 1999, 2), 2001, and 2002.

SEC. 103. ALLOWANCE OF CREDIT FOR PLOYER EXPENSES FOR CHILD CARE ASSISTANCE.

(a) IN GENERAL.—Subpart D of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 (relating to business related credits) is amended by adding at the end the following:

"SEC. 45D. EMPLOYER-PROVIDED CHILD CARE CREDIT.

"(a) ALLOWANCE OF CREDIT.—For purposes of section 38, the employer-provided child care credit determined under this section for the taxable year is an amount equal to 20 percent of the qualified child care expenditures of the taxpayer for such taxable y .

"(b) DOLLAR LIMITATION.—The credit allowable under subsection (a) for any taxable year shall not exceed $100,000.

"(c) DEFINITIONS.—For purposes of this section—

"(1) QUALIFIED CHILD CARE EXPENDITURE.—

"(A) IN GENERAL.—The term 'qualified child care expenditure' means any amount paid or incurred—

"(i) to acquire, construct, rehabilitate, or expand property—

"(I) which is to be used as part of a qualified child care facility of the taxpayer,

"(II) with respect to which a deduction for depreciation (or amortization in lieu of depreciation) is allowable, and

"(III) which does not constitute part of the principal residence (within the meaning of section 1034) of the taxpayer or any employee of the taxpayer,

"(ii) for the operating costs of a qualified child care facility of the taxpayer, including costs related to the training of employees,

"(iii) under a contract with a qualified child care facility to provide child care services to employees of the taxpayer, or

"(iv) under a contract to provide child care resource and referral services to employees of the taxpayer.

"(2) EXCLUSION FOR AMOUNTS FUNDED BY GRANTS, ETC.—The term 'qualified child care expenditure' shall not include any amount to the extent such amount is funded by any grant, contract, or otherwise by another person (or any governmental entity).

"(3) QUALIFIED CHILD CARE FACILITY.—

"(A) IN GENERAL.—The term 'qualified child care facility' means a facility—

"(i) the principal use of which is to provide child care assistance, and

"(ii) which meets the requirements of all applicable laws and regulations of the State or local government in which it is located, including, but not limited to, the licensing of the facility as a child care facility.

Clause (i) shall not apply to a facility which is the principal residence (within the meaning of section 1034) of the operator of the facility.

"(B) SPECIAL RULES WITH RESPECT TO A TAXPAYER.—A facility shall not be treated as a qualified child care facility with respect to a taxpayer unless—

"(i) enrollment in the facility is open to employees of the taxpayer during the taxable year,

"(ii) the facility is not the principal trade or business of the taxpayer unless at least 30 percent of the enrollees of such facility are dependents of employees of the taxpayer, and

"(iii) the use of such facility (or the eligibility to use such facility) does not discriminate in favor of employees of the taxpayer who are highly compensated employees (within the meaning of section 414(q)).

"(d) RECAPTURE OF ACQUISITION AND CONSTRUCTION CREDIT.—

"(1) IN GENERAL.—If, as of the close of any taxable year, there is a recapture event with respect to any qualified child care facility of the taxpayer, then the tax of the taxpayer under this chapter for such taxable year shall be increased by an amount equal to the product of—

"(A) the applicable recapture percentage, and

"(B) the aggregate decrease in the credits allowed under section 38 for all prior taxable years which would have resulted if the qualified child care expenditures of the taxpayer described in subsection (c)(1)(A) with respect to such facility had been zero.

"(2) APPLICABLE RECAPTURE PERCENTAGE.—

"(A) IN GENERAL.—For purposes of this subsection, the applicable recapture percentage shall be determined from the following table:

"If the recapture event occurs in:	The applicable recapture percentage is:
Years 1–3	100
Year 4	85
Year 5	70
Year 6	55
Year 7	40
Year 8	25
Years 9 and 10	10
Years 11 and thereafter	0.

"(B) YEARS.—For purposes of subparagraph (A), year 1 shall begin on the first day of the taxable year in which the qualified child care facility is placed in service by the taxpayer.

"(3) RECAPTURE EVENT DEFINED.—For purposes of this subsection, the term 'recapture event' means—

"(A) CESSATION OF OPERATION.—The cessation of the operation of the facility as a qualified child care facility.

"(B) CHANGE IN OWNERSHIP.—

"(i) IN GENERAL.—Except as provided in clause (ii), the disposition of a taxpayer's interest in a qualified child care facility with respect to which the credit described in subsection (a) was allowable.

"(ii) AGREEMENT TO ASSUME RECAPTURE LIABILITY.—Clause (i) shall not apply if the person acquiring such interest in the facility agrees in writing to assume the recapture liability of the person disposing of such interest in effect immediately before such disposition. In the event of such an assumption, the person acquiring the interest in the facility shall be treated as the taxpayer for purposes of assessing any recapture liability (computed as if there had been no change in ownership).

"(4) SPECIAL RULES.—

"(A) TAX BENEFIT RULE.—The tax for the taxable year shall be increased under paragraph (1) only with respect to credits allowed by reason of this section which were used to reduce tax liability. In the case of credits not so used to reduce tax liability, the carryforwards and carrybacks under section 39 shall be appropriately adjusted.

"(B) NO CREDITS AGAINST TAX.—Any increase in tax under this subsection shall not be treated as a tax imposed by this chapter for purposes of determining the amount of any credit under subpart A, B, or D of this part.

"(C) NO RECAPTURE BY REASON OF CASUALTY LOSS.—The increase in tax under this subsection shall not apply to a cessation of operation of the facility as a qualified child care facility by reason of a casualty loss to the extent such loss is restored by reconstruction or replacement within a reasonable period established by the Secretary.

"(e) SPECIAL RULES.—For purposes of this section—

"(1) AGGREGATION RULES.—All persons which are treated as a single employer under subsections (a) and (b) of section 52 shall be treated as a single taxpayer.

"(2) PASS-THRU IN THE CASE OF ESTATES AND TRUSTS.—Under regulations prescribed by the Secretary, rules similar to the rules of subsection (d) of section 52 shall apply.

"(3) ALLOCATION IN THE CASE OF PARTNERSHIPS.—In the case of partnerships, the credit shall be allocated among partners under regulations prescribed by the Secretary.

"(f) NO DOUBLE BENEFIT.—

"(1) REDUCTION IN BASIS.—For purposes of this subtitle—

"(A) IN GENERAL.—If a credit is determined under this section with respect to any property by reason of expenditures described in subsection (c)(1)(A), the basis of such property shall be reduced by the amount of the credit so determined.

"(B) CERTAIN DISPOSITIONS.—If during any taxable year there is a recapture amount determined with respect to any property the basis of which was reduced under subparagraph (A), the basis of such property (immediately before the event resulting in such recapture) shall be increased by an amount equal to such recapture amount. For purposes of the preceding sentence, the term 'recapture amount' means any increase in tax (or adjustment in carrybacks or carryovers) determined under subsection (d).

"(2) OTHER DEDUCTIONS AND CREDITS.—No deduction or credit shall be allowed under any other provision of this chapter with respect to the amount of the credit determined under this section.

"(g) TERMINATION.—This section shall not apply to taxable years beginning after December 31, 2003.".

(b) CONFORMING AMENDMENTS.—

(1) Section 38(b) of the Internal Revenue Code of 1986 is amended—

(A) by striking out "plus" at the end of paragraph (11),

(B) by striking out the period at the end of paragraph (12), and inserting a comma and "plus", and

(C) by adding at the end the following new paragraph:

"(13) the employer-provided child care credit determined under section 45D.".

(2) The table of sections for subpart D of part IV of subchapter A of chapter 1 of such Code is amended by adding at the end the following new item:

"Sec. 45D. Employer-provided child care credit.".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1998.

TITLE II—ENCOURAGING QUALITY CHILD CARE

Subtitle A—Dissemination of Information About Quality Child Care

SEC. 201. COLLECTION AND DISSEMINATION OF INFORMATION.

(a) COLLECTION AND DISSEMINATION OF INFORMATION.—The Secretary of Health and Human Services shall, directly or through a contract awarded on a competitive basis to a qualified entity, collect and disseminate—

(1) information concerning health and safety in various child care settings that would assist—

(A) the provision of safe and healthful environments by child care providers; and

(B) the evaluation of child care providers by parents; and

(2) relevant findings in the field of early childhood learning and development.

(b) INFORMATION AND FINDINGS TO BE GENERALLY AVAILABLE.—

(1) SECRETARIAL RESPONSIBILITY.—The Secretary of Health and Human Services shall make the information and findings described in subsection (a) generally available to States, units of local governments, private nonprofit child care organizations (including resource and referral agencies), employers, child care providers, and parents.

(2) DEFINITION OF GENERALLY AVAILABLE.—For purposes of paragraph (1), the term "generally available" means that the information and findings shall be distributed through resources that are used by, and available to, the public, including such resources as brochures, Internet web sites, toll-free telephone information lines, and public and private resource and referral organizations.

SEC. 202. GRANTS FOR THE DEVELOPMENT OF A CHILD CARE TRAINING INFRASTRUCTURE.

(a) AUTHORITY TO AWARD GRANTS.—The Secretary of Health and Human Services shall award grants to eligible entities to develop distance learning child care training technology infrastructures and to develop model technology-based training courses for child care providers and child care workers. The Secretary shall, to the maximum extent possible, ensure that grants for the development of distance learning child care training technology infrastructures are awarded in those regions of the United States with the fewest training opportunities for child care providers.

(b) ELIGIBILITY REQUIREMENTS.—To be eligible to receive a grant under subsection (a), an entity shall—

(1) develop the technological and logistical aspects of the infrastructure described in this section and have the capability of implementing and maintaining the infrastructure;

(2) to the maximum extent possible, develop partnerships with secondary schools, institutions of higher education, State and local government agencies, and private child care organizations for the purpose of sharing equipment, technical assistance, and other technological resources, including—

(A) sites from which individuals may access the training;

(B) conversion of standard child care training courses to programs for distance learning; and

(C) ongoing networking among program participants; and

(3) develop a mechanism for participants to—

(A) evaluate the effectiveness of the infrastructure, including the availability and affordability of the infrastructure, and the training offered the infrastructure; and

(B) make recommendations for improvements to the infrastructure.

(c) APPLICATION.—To be eligible to receive a grant under subsection (a), an entity shall submit an application to the Secretary at such time and in such manner as the Secretary may require, and that includes—

(1) a description of the partnership organizations through which the distance learning programs will be disseminated and made available;

(2) the capacity of the infrastructure in terms of the number and type of distance learning programs that will be made available;

(3) the expected number of individuals to participate in the distance learning programs; and

(4) such additional information as the Secretary may require.

(d) LIMITATION ON FEES.—No entity receiving a grant under this section may collect fees from an individual for participation in a distance learning child care training program funded in whole or in part by this section that exceed the pro rata share of the amount expended by the entity to provide materials for the training program and to develop, implement, and maintain the infrastructure (minus the amount of the grant awarded by this section).

(e) RULE OF CONSTRUCTION.—Nothing in this section shall be construed as requiring a child care provider to subscribe to or complete a distance learning child care training program made available by this section.

SEC. 203. AUTHORIZATION OF APPROPRIATIONS.

There is authorized to be appropriated to carry out this subtitle $50,000,000 for each of fiscal years 1999 through 2003.

Subtitle B—Increased Enforcement of State Health and Safety Standards

SEC. 211. ENFORCEMENT OF STATE HEALTH AND SAFETY STANDARDS.

(a) IDENTIFICATION OF STATE INSPECTION RATE.—

(1) IN GENERAL.—Section 658E(c)(2)(G) of the Child Care and Development Block Grant Act of 1990 (42 U.S.C. 9858c(2)(G)) is amended by striking the period and inserting ", and provide the percentage of completed child care provider inspections that were required under State law for each of the 2 preceding fiscal years.".

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) applies to State plans under the Child Care and Development Block Grant Act of 1990 (42 U.S.C. 9858 et seq.) on and after September 1, 1998.

(b) INCREASED OR DECREASED ALLOTMENTS.—Section 658O(b) of the Child Care and Development Block Grant Act of 1990 (42 U.S.C. 9858m(b)) is amended—

(1) in paragraph (1), in the matter preceding subparagraph (A), by inserting ", subject to paragraph (5)," after "shall"; and

(2) by adding at the end the following:

"(5) INCREASED OR DECREASED ALLOTMENT BASED ON STATE INSPECTION RATE.—

"(A) INCREASED ALLOTMENT FOR FISCAL YEARS 1999, 2000, AND 2001.—

"(i) IN GENERAL.—Subject to clause (iii), for fiscal years 1999, 2000, and 2001, the allotment determined for a State under paragraph (1) for each such fiscal year shall be increased by an amount equal to 10 percent of such allotment for the fiscal year involved with respect to any State—

"(I) that certifies to the Secretary that the State has not reduced the scope of any State child care health or safety standards or requirements that were in effect in calendar year 1996; and

"(II) that, with respect to the preceding fiscal year, had a percentage of completed child care provider inspections (as required to be reported under section 658E(c)(2)(G)), that equaled or exceeded the target inspection and enforcement percentage specified under clause (ii) for the fiscal year for which the allotment is to be paid.

"(ii) TARGET INSPECTION AND ENFORCEMENT PERCENTAGE.—For purposes of clause (i)(II), the target inspection and enforcement percentage is—

"(I) for fiscal year 1999, 75 percent;

"(II) for fiscal year 2000, 80 percent; and

"(III) for fiscal year 2001, 100 percent.

"(iii) PRO RATA REDUCTIONS IF INSUFFICIENT APPROPRIATIONS.—The Secretary shall make pro rata reductions in the percentage increase otherwise required under clause (i) for a State allotment for a fiscal year as necessary so that the aggregate of all the allotments made under this section do not exceed the amount appropriated for that fiscal year under section 658B.

"(B) DECREASED ALLOTMENT FOR FISCAL YEARS 2000 AND 2001.—

"(i) IN GENERAL.—The allotment determined for a State under paragraph (1) for each of fiscal years 2000 and 2001 shall be decreased by an amount equal to 10 percent of such allotment for the fiscal year involved with respect to any State that, with respect to the preceding fiscal year, had a percentage of completed child care provider inspections (as required to be reported under section 658E(c)(2)(G)) that was below the minimum inspection and enforcement percentage specified under clause (ii) for the fiscal year for which the allotment is to be paid.

"(ii) MINIMUM INSPECTION AND ENFORCEMENT PERCENTAGE.—For purposes of clause (i), the minimum inspection and enforcement percentage is—

"(I) for fiscal year 2000, 50 percent; and

"(II) for fiscal year 2001, 75 percent.

"(iii) REQUIREMENT TO EXPEND STATE FUNDS TO REPLACE REDUCTION.—If the allotment determined for a State for a fiscal year is reduced by reason of clause (i), the State shall, during the immediately succeeding fiscal year, expend additional State funds under the State plan funded under this subchapter by an amount equal to the amount of such reduction.".

Subtitle C—Removal of Barriers to Increasing the Supply of Quality Child Care

SEC. 221. INCREASED AUTHORIZATION OF APPROPRIATIONS FOR THE CHILD CARE AND DEVELOPMENT BLOCK GRANT ACT.

Section 658B of the Child Care and Development Block Grant Act of 1990 (42 U.S.C. 9858) is amended to read as follows:

"SEC. 658B. AUTHORIZATION OF APPROPRIATIONS.

"There is authorized to be appropriated to carry out this subchapter—

"(1) for each of fiscal years 1996 through 1998, $1,000,000,000;

"(2) for fiscal year 1999, $1,500,000,000;

"(2) for fiscal year 2000, $1,750,000,000;

"(2) for fiscal year 2001, $2,000,000,000;

"(2) for fiscal year 2002, $2,250,000,000; and

"(2) for fiscal year 2003, $2,500,000,000.".

SEC. 222. SMALL BUSINESS CHILD CARE GRANT PROGRAM.

(a) ESTABLISHMENT.—The Secretary of Health and Human Services (in this section referred to as the "Secretary") shall establish a program to award grants to States to assist States in providing funds to encourage the establishment and operation of employer operated child care programs.

(b) APPLICATION.—To be eligible to receive a grant under this section, a State shall prepare and submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require, including an assurance that the funds required under subsection (e) will be provided.

(c) AMOUNT OF GRANT.—The Secretary shall determine the amount of a grant to a State under this section based on the population of the State as compared to the population of all States.

(d) USE OF FUNDS.—

(1) IN GENERAL.—A State shall use amounts provided under a grant awarded under this section to provide assistance to small businesses located in the State to enable the small businesses to establish and operate child care programs. Such assistance may include—

(A) technical assistance in the establishment of a child care program;

(B) assistance for the start up costs related to a child care program;

(C) assistance for the training of child care providers;

(D) scholarships for low-income wage earners;

(E) the provision of services to care for sick children or to provide care to school aged children;

(F) the entering into of contracts with local resource and referral or local health departments;

(G) care for children with disabilities; or

(H) assistance for any other activity determined appropriate by the State.

(2) APPLICATION.—To be eligible to receive assistance from a State under this section, a small business shall prepare and submit to the State an application at such time, in such manner, and containing such information as the State may require.

(3) PREFERENCE.—

(A) IN GENERAL.—In providing assistance under this section, a State shall give priority to applicants that desire to form a consortium to provide child care in geographic areas within the State where such care is not generally available or accessible.

(B) CONSORTIUM.—For purposes of subparagraph (A), a consortium shall be made up of 2 or more entities which may include businesses, nonprofit agencies or organizations, local governments, or other appropriate entities.

(4) LIMITATION.—With respect to grant funds received under this section, a State may not provide in excess of $100,000 in assistance from such funds to any single applicant.

(e) MATCHING REQUIREMENT.—To be eligible to receive a grant under this section a State shall provide assurances to the Secretary that, with respect to the costs to be incurred by an entity receiving assistance in carrying out activities under this section, the entity will make available (directly or through donations from public or private entities) non-Federal contributions to such costs in an amount equal to—

(1) for the first fiscal year in which the entity receives such assistance, not less than 50 percent of such costs ($1 for each $1 of assistance provided to the entity under the grant);

(2) for the second fiscal year in which an entity receives such assistance, not less than 66⅔ percent of such costs ($2 for each $1 of assistance provided to the entity under the grant); and

(3) for the third fiscal year in which an entity receives such assistance, not less than 75 percent of such costs ($3 for each $1 of assistance provided to the entity under the grant).

(f) REQUIREMENTS OF PROVIDERS.—To be eligible to receive assistance under a grant awarded under this section a child care provider shall comply with all applicable State and local licensing and regulatory requirements and all applicable health and safety standards in effect in the State.

(g) ADMINISTRATION.—

(1) STATE RESPONSIBILITY.—A State shall have responsibility for administering the grant awarded under this section and for monitoring entities that receive assistance under such grant.

(2) AUDITS.—A State shall require each entity receiving assistance under a grant awarded under this section to conduct an annual audit with respect to the activities of the entity. Such audits shall be submitted to the State.

(3) MISUSE OF FUNDS.—

(A) REPAYMENT.—If the State determines, through an audit or otherwise, that an entity receiving assistance under a grant awarded under this section has misused the assistance, the State shall notify the Secretary of the misuse. The Secretary, upon such a notification, may seek from such an entity the repayment of an amount equal to the amount of any misused assistance plus interest.

(B) APPEALS PROCESS.—The Secretary shall by regulation provide for an appeals process with respect to repayments under this paragraph.

(h) REPORTING REQUIREMENTS.—

(1) 2-YEAR STUDY.—

(A) IN GENERAL.—Not later than 2 years after the date on which the Secretary first provides grants under this section, the Secretary shall conduct a study to determine—

(i) the capacity of entities to meet the child care needs of communities within a State;

(ii) the kinds of partnerships that are being formed with respect to child care at the local level; and

(iii) who is using the programs funded under this section and the income levels of such individuals.

(B) REPORT.—Not later than 28 months after the date of enactment of this Act, the Secretary shall prepare and submit to the appropriate committees of Congress a report on the results of the study conducted in accordance with subparagraph (A).

(2) 4-YEAR STUDY.—

(A) IN GENERAL.—Not later than 4 years after the date on which the Secretary first provides grants under this section, the Secretary shall conduct a study to determine the number of child care facilities funded through entities that received assistance through a grant made under this section that remain in operation and the extent to which such facilities are meeting the child care needs of the individuals served by such facilities.

(B) REPORT.—Not later than 52 months after the date of enactment of this Act, the Secretary shall prepare and submit to the appropriate committees of Congress a report on the results of the study conducted in accordance with subparagraph (A).

(i) DEFINITION.—As used in this section, the term "small business" means an employer who employed an average of at least 2 but not more than 50 employees on business days during the preceding calendar year.

(j) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section, $60,000,000 for the period of fiscal years 1999 through 2001. With respect to the total amount appropriated for such period in accordance with this subsection, not more than $5,000,000 of that amount may be used for expenditures related to conducting evaluations required under, and the administration of, this section.

(k) TERMINATION OF PROGRAM.—The program established under subsection (a) shall terminate on September 30, 2002.

SEC. 223. GAO REPORT REGARDING THE RELATIONSHIP BETWEEN LEGAL LIABILITY CONCERNS AND THE AVAILABILITY AND AFFORDABILITY OF CHILD CARE.

Not later than 6 months after the date of enactment of this Act, the Comptroller General of the United States shall report to Congress regarding whether and, if so, the extent to which, concerns regarding potential legal liability exposure inhibit the availability and affordability of child care. The report shall include an assessment of whether such concerns prevent—

(1) employers from establishing on or near-site child care for their employees;

(2) schools or community centers from allowing their facilities to be used for on-site child care; and

(3) individuals from providing professional, licensed child care services in their homes.

Subtitle D—Quality Child Care Through Federal Facilities and Programs

SEC. 231. PROVIDING QUALITY CHILD CARE IN FEDERAL FACILITIES.

(a) DEFINITION.—In this section:

(1) ADMINISTRATOR.—The term "Administrator" means the Administrator of General Services.

(2) EXECUTIVE AGENCY.—The term "Executive agency" has the meaning given the term in section 105 of title 5, United States Code, but does not include the Department of Defense.

(3) EXECUTIVE FACILITY.—The term "executive facility" means a facility that is owned or leased by an Executive agency.

(4) FEDERAL AGENCY.—The term "Federal agency" means an Executive agency, a judicial office, or a legislative office.

(5) JUDICIAL FACILITY.—The term "judicial facility" means a facility that is owned or leased by a judicial office.

(6) JUDICIAL OFFICE.—The term "judicial office" means an entity of the judicial branch of the Federal Government.

(7) LEGISLATIVE FACILITY.—The term "legislative facility" means a facility that is owned or leased by a legislative office.

(8) LEGISLATIVE OFFICE.—The term "legislative office" means an entity of the legislative branch of the Federal Government.

(b) EXECUTIVE BRANCH STANDARDS AND ENFORCEMENT.—

(1) STATE AND LOCAL LICENSING REQUIREMENTS.—

(A) IN GENERAL.—The Administrator shall issue regulations requiring any entity operating a child care center in an executive facility to comply with applicable State and local licensing requirements related to the provision of child care.

(B) COMPLIANCE.—The regulations shall require that, not later than 6 months after the date of enactment of this Act—

(i) the entity shall comply, or make substantial progress (as determined by the Administrator) toward complying, with the requirements; and

(ii) any contract for the operation of such a child care center shall include a condition that the child care be provided in accordance with the requirements.

(2) EVALUATION AND ENFORCEMENT.—The Administrator shall evaluate the compliance of the entities described in paragraph (1) with the regulations issued under that paragraph. The Administrator may conduct the evaluation of such an entity directly, or through an agreement with another Federal agency, other than the Federal agency for which the entity is providing child care. If the Administrator determines, on the basis of such an evaluation, that the entity is not in compliance with the regulations, the Administrator shall notify the Executive agency.

(c) LEGISLATIVE BRANCH STANDARDS AND ENFORCEMENT.—

(1) STATE AND LOCAL LICENSING REQUIREMENTS AND ACCREDITATION STANDARDS.—The Architect of the Capitol shall issue regulations for entities operating child care centers in legislative facilities, which shall be the same as the regulations issued by the Administrator under subsection (b)(1), except to the extent that the Architect may determine, for good cause shown and stated together with the regulations, that a modification of such regulations would be more effective for the implementation of the requirements and standards described in such paragraphs.

(2) EVALUATION AND ENFORCEMENT.—Subsection (b)(2) shall apply to the Architect of the Capitol, entities operating child care centers in legislative facilities, and legislative offices. For purposes of that application, references in subsection (b)(2) to regulations shall be considered to be references to regulations issued under this subsection.

(d) JUDICIAL BRANCH STANDARDS AND ENFORCEMENT.—

(1) STATE AND LOCAL LICENSING REQUIREMENTS AND ACCREDITATION STANDARDS.—The Director of the Administrative Office of the United States Courts shall issue regulations for entities operating child care centers in judicial facilities, which shall be the same as the regulations issued by the Administrator under subsection (b)(1), except to the extent that the Director may determine, for good cause shown and stated together with the regulations, that a modification of such regulations would be more effective for the implementation of the requirements and standards described in such paragraphs.

(2) EVALUATION AND ENFORCEMENT.—Subsection (b)(2) shall apply to the Director described in paragraph (1), entities operating child care centers in judicial facilities, and judicial offices. For purposes of that application, references in subsection (b)(2) to regulations shall be considered to be references to regulations issued under this subsection.

(e) APPLICATION.—Notwithstanding any other provision of this section, if 3 or more child care centers are operated in facilities owned or leased by a Federal agency, the head of the Federal agency may carry out the responsibilities assigned to the Administrator under subsection (b)(2), the Architect of the Capitol under subsection (c)(2), or the Director described in subsection (d)(2) under such subsection, as appropriate.

Mr. SPECTER. Mr. President, I have sought recognition to join my colleagues in introducing the "Caring for Children Act," which will ease the financial burden of child care for American families—for those parents who work, and for those who choose to stay home to raise their children for a period of time. The sponsors of this legislation recognize the importance of affordable quality child care to the successful development of our children.

Our bill would expand the Dependent Care tax credit to make it more accessible to families who need it, double the authorization for the Child Care Development Block Grant, and provide grants to small businesses to create or enhance child care facilities for their employees. This bill also includes provisions from the proposal I introduced last year with my colleague, Congressman Jon Fox, "The Affordable Child Care Act," which provides a tax credit for employers who provide on-site or site-adjacent child care to their employees in order to reduce the child care expenses of the employee.

Not all families choose the same option for child care. Many families rely on relatives, centers operated by churches and other religious organizations, centers at or near their workplace, or make other arrangements to provide care for their children while they work. In light of the diverse needs for child care in America, this bill represents a good start toward expanding the choices for American parents. And, any such legislation must recognize that there is a need to provide some relief to families where one parent stays at home.

The need for affordable and accessible day care is critical given the increasing numbers of working parents and dual-income families in the United States. According to the Bureau of the Census, in 1975, 31 percent of married mothers with a child younger than age one participated in the labor force. By 1995, that figure had risen to 59 percent. Almost 64 percent of married mothers and 53 percent of single mothers with children younger than age six participated in the labor force in 1995.

The cost of child care for families is also significant. Licensed day care centers in some urban areas cost as much as $200 per week, and the disparity in costs and availability of child care between urban and rural grows greater every day. For families which need or choose to have both parents work outside the home, the burden of making child care decisions is great. These figures serve to underscore the need for action on the part of the Federal government to provide the necessary assistance to our nation's working families.

As Chairman of the Labor, Health and Human Services, and Education Appropriations Subcommittee, I am pleased that this legislation would build on an existing federal child care program by authorizing an additional $5 billion over five years to the Child Care Development Block Grant program, bringing total spending for this program to $2.5 billion annually by FY2002. The CCDBG program which works well in assisting low-income families acquire child care and helped over 93,000 Pennsylvania families last year. By increasing the authorization, we can help even more families without creating a new entitlement program.

Our legislation will also require States to create and enforce safety and health standards in child care facilities, and provide money for the Department of Health and Human Services to disseminate information to parents and providers about quality child care, through brochures, toll-free hotlines, the Internet, and other technological assistance.

The "Caring for Children Act" complements my recent efforts to assist working families in the context of welfare reform and children's health insurance. When Congress debated welfare reform in 1995 and 1996, I worked to ensure that adequate funds were provided for child care, a critical component for welfare mothers who would be required to work to receive new limited welfare benefits. I am pleased that the welfare reform bill that became law provides $20 billion in child care funding over a six year period. Similarly, I was pleased to participate in the bipartisan effort in 1997 to enact legislation to provide $24 billion over the next five years for States to establish or broaden children's health insurance programs.

In conclusion, Mr. President, I believe that it is critical that the 105th Congress not adjourn without enacting legislation to assist families in their ability to afford safe, quality child care for their children, either at home with a parent or another arrangement. Our legislation will provide peace of mind to millions of American families struggling to balance career and child raising. I urge my colleagues to join me in cosponsoring this important legislation, and I urge its swift adoption.

Mr. HATCH. Mr. President, eight years ago, Congress passed and President Bush signed the landmark Child Care and Development Block Grant Act. I was proud to have helped lead the effort, and I am proud of what our states have been able to accomplish since its implementation.

But, it is also clear that we must do more to help families. In my home state of Utah, more than half of the children under age 6 have either their only parent or both parents in the workforce.

The "Child Care Connection," a four-county resource and referral program, reported last year that there were five major Salt Lake area zip codes that had zero openings for infants.

Utah child care officials have reported that there are too few slots generally for infants and toddlers and for special needs children.

It is my pleasure to be here today with Senators CHAFEE, SNOWE, ROBERTS, and SPECTER, each of whom has a long track record of involvement in child care issues. We believe that we have developed a comprehensive, yet realistic, child care proposal that will augment the ability of the child care block grant to serve families in each state.

Of particular note, this proposal recognizes the choice that many families make to have one parent remain at home as primary caregiver. As important as it is to assist low- and middle-income families with necessary out-of-home child care expenses—and our proposal will increase the Dependent Care Tax Credit for such families—it is also important for us to realize the value of a parent in the home and that the sacrifice of a second income is also a child care expense.

Additionally, our proposal will not create major new programs in need of permanent funding. We do not intend to spend federal dollars on bigger bureaucracy in the name of expanding child care. We want available resources to be put directly in the hands of parents through tax credits and in the hands of states to address specific gaps in availability and enforcement of health and safety standards.

Our bill takes a very balanced approach to the issues of affordability, availability, and quality.

Child care costs, of course, are a significant part of a family budget. The average cost of child care has been estimated at over $4000 per child. This is a substantial increase from the $3000 average it was when we enacted the Child Care and Development Block Grant eight years ago. Clearly, low- and middle-income taxpayers devote a larger share of their earnings to child care.

And, at a time when we are trying to move families off of public assistance and into employment, child care has to be a key element of transitional support.

Our bill increases the Dependent Care Tax Credit (DCTC) for working parents. Our bill raises the maximum credit from 30 percent to 50 percent. And, it raises the maximum income level for the maximum credit from $10,000 to $30,000. No change is made in the maximum allowable expenses of $2400 for one child and $4800 for two or more children.

Thus, a family in St. George, Utah, earning $30,000, with two children, would receive a tax credit of $2400. Under current law, this family's credit would be $960.

Both our bill and the proposal made by the Clinton administration begin to gradually reduce the percentage of the credit at $30,000, but the "Caring for Children Act" reduces the credit at a slower rate. Thus, families earning between $30,000 and $75,000 will receive a bigger tax benefit than under either President Clinton's proposal or current law.

We can afford to provide larger benefits for this income group because we have recommended a phase-out of the credit entirely for families with incomes of $105,000 or more. Under current law, there is no income limit for eligibility for the DCTC. This is one tax credit that wealthy taxpayers do not need.

But, our bill, the "Caring for Children Act," goes one step further. The bill I have developed along with Senators CHAFEE, SNOWE, ROBERTS, and SPECTER would, for the first time, recognize child care provided by a parent.

Our bill would extend eligibility for the Dependent Care Tax Credit to families with young children in which one parent remains at home as caregiver. How would this work? The bill would impute monthly child care expenses of $150 to families with children age 3 and under. For example, a family in Morgan, Utah, earning $30,000 a year and having one or more children under age 3, would receive a $900 tax credit. It works this way: 50% credit × $150 monthly imputed expenses × 12 months = $900.

I would like to see this tax break be even more generous. I will work toward that end. But, given our budget realities, this ground-breaking extension of the DCTC is feasible. And, I believe it is an essential component of the "Caring for Children Act."

It is high time we recognize the value of stay-at-home parents. This tax credit in no way offsets their work or their monetary sacrifices; but it does, at last, give a mother or father in the home standing in our tax code. It transforms the Dependent Care Tax Credit from an employment-based credit to a child-based credit.

These two changes to the DCTC will put money—their own money I might add—back into the pockets of America's families.

The "Caring for Children Act" also deals with the issue of availability. As I mentioned, there are areas where child care—particularly infant care, after school care, or care for special needs children—is tough to find. The substantial increase we are recommending for the Child Care and Development Block Grant (CCDBG) will provide states with the ability to address shortages as well as to increase support to low-income families.

President Clinton has recommended solving the availability problem by creating two new programs, one for after school care and one geared to early childhood. While I can appreciate the President's concern that there may be few choices out there for parents who depend on out-of-home care, I do not believe it makes sense to create new programs when the CCDBG already permits such programs. I think the answer is not to second guess how the states have chosen to allocate their scarce resources under the block grant, but rather to give the states some additional resources so that they can better meet their own priorities.

We are proposing a $5 billion increase in the CCDBG over five years. These additional resources will give states much more flexibility in their planning. States will be able to provide subsidies for a greater number of the eligible population; they will be able to finance child care programs in underserved areas of the state; they will be able to address particular shortages. And, they will be able to better enforce critical health and safety standards.

I am a firm believer that states should be able to set their own rules and regulations for child care providers. I do not believe that the federal government can or should interfere with child care affordability in our various states by setting national standards that are unrealistic. Moreover, to the extent that child care standards reflect the values as well as the economic conditions of any given state, the federal government has no business micromanaging them.

But, I also believe that states that participate in the block grant program—and that would be all of them—have an obligation to ensure that children are in safe and healthy environments. And, they have an obligation to see that such standards are adequately enforced. A sanitary standard is no standard at all if it is unenforced.

It may not matter where you have your car washed, but it absolutely matters who is taking care of your child.

Therefore, the "Caring for Children Act" puts some teeth into the requirement for inspections under the block grant. A state that inspects a threshold number of facilities subject to inspection will be eligible for a 10 percent bonus. After the second year, a state failing to inspect a minimum number of child care sites will be subject to a 10 percent penalty.

Additionally, our bill authorizes $50 million a year for HHS to undertake two important quality enhancing activities. First, more information about child care can be made available to parents. Consumer information about automobiles, credit cards, and well-baby care are available. I believe parents would welcome more information on what to look for in a child care center or family-based care setting. I also believe that parents are the best form of accountability in child care. Second, to assist providers and child care workers enhance the quality of their services, the bill would enable HHS to award grants for the development of a technology infrastructure for distance learning.

Many child care providers are in rural areas. Traditional training in the form of workshops and college classes are not practical. Programs for child care providers that could be developed and made available through distance learning, however, could prove a viable alternative as well as a valued help. My home state of Utah, I might add, has been a leader in the distance learning arena. I have no doubt that such a format would be eagerly received in my state.

The "Caring for Children Act" contains several other provisions of interest. In order to test the effectiveness of small business consortia as employer-based child care providers, the bill authorizes $60 million over three years for demonstration grants.

To increase the awareness of the existing Dependent Care Assistance Program (DCAP), a tax provision that permits employees to authorize their employers to withhold up to $5000 of the employee's salary in a DCAP account for child care expenses to be paid by the employer, the "Caring for Children Act" authorizes $1 million a year for the next five years to the Secretary of Labor to conduct outreach to both employers and employees about this program and its benefits.

Finally, the bill would require that child care facilities located in federal buildings for federal employees be held to the same quality standards that apply to child care programs in the state in which the federal facility is located.

I believe the measure we have introduced is a balanced approach. It does not depend entirely on the tax code to address child care issues, nor does it depend solely on federal spending.

It does not concentrate benefits on only one income group. The DCTC expansion is geared particularly to assist the middle class. The increase in the CCDBG is targeted to subsidies for low-income families.

It recognizes that we have to make an investment in our children, but it does not propose new federal mandatory spending programs that can become wildly expensive.

Our bill gives careful attention to each of the three cornerstones of child care: affordability, availability, and quality.

And, for the first time, federal child care legislation will not ignore those families who choose to forego one income to have a parent remain at home.

I want to say again that I am proud to sponsor this bill with my colleagues, Senators CHAFEE, SNOWE, ROBERTS, and SPECTER. I urge other senators to join us in this legislation.

Mr. ROBERTS. Mr. President, I am pleased and honored to join with my colleagues to introduce legislation to help meet the child care challenges facing families around the nation. Our bill is entitled the "Caring for Children Act."

Child care, in the home when possible and outside the home when both parents work, goes right to the heart of keeping families strong. Unfortunately, finding quality, affordable child care is one of the most pressing problems for families in Kansas and around the country.

The "Caring for Children Act" takes the first steps to address this challenge through a responsible approach. This legislation expands child care opportunities without expanded government costs or intrusion in our lives. This legislation builds into the existing network without adding more government intervention or mandates. This legislation will help families that have two working parents and families that have a stay-at-home parent. This legislation will help to increase the supply of quality of child care.

First, in order to provide additional tax relief and increase affordability of child care, we expand the Dependent Care Tax Credit (DCTC) by raising the income level to $30,000 at which families become eligible for the maximum tax credit. We also raise the maximum percentage of child care expenses that parents can deduct to 50 percent. These changes make the DCTC more realistic for families that face increasing child care costs.

Increasing the income level and the percentage of child care expenses that are deductible will help families where both parents work. But, we also recognize that families who choose to have one parent remain at home have child care expenses as well. Therefore, we extend eligibility for the DCTC to families with a stay-at-home parent. This provides greater options to more families and leaves child care choices where they should be—with the family. In order to target this credit to parents who need it the most and meet our fiscal responsibilities, the credit is phased out for higher income wage earners.

Small businesses play a critical role in providing child care options to millions of working parents. Unfortunately, small businesses generally do not have the resources required to start up and support a child care center. The "Caring for Children Act" includes a short-term, flexible grant program to encourage small businesses to work together to provide child care services for employees. This program is more of a demonstration project that will sunset at the end of three years. In the meantime, small businesses will be eligible for grants up to $100,000 for start-up costs, training, scholarships, or other related activities. Businesses must continue to meet state quality and health standards. Businesses will be required to match federal funds to encourage self-sustaining facilities well into the future.

"Caring for Children" also includes provisions to provide a tax credit of expenses up to $500,000 for employers who choose to construct, renovate, or operate on- or near-site child care facilities for their employees. And, "Caring for Children" includes funding to promote greater availability of the Dependent Care Assistance Program (DCAP) for families with children. This will allow the Department of Labor to conduct outreach to businesses to promote awareness of the DCAP program.

All children deserve quality care. Although all states have health and safety standards in place, many times these regulations are not enforced. "Caring for Children" includes incentives for states to improve their inspection efforts and ensure that facilities are in compliance with their own state standards. The bill also authorizes funding for the Department of Health and Human Services to get more information in the hands of parents and help child care providers access child care training programs.

Finally, we authorize additional funding for the Child Care and Development Block Grant. This program sends federal assistance to states, permitting them to allocate resources where they are most needed in the state. We maintain maximum flexibility and allow states to make decisions about how to address their own child care challenges.

Child care is an issue that impacts each and every one of us. While parents continue to struggle to meet the constant demand of work and family, we must continue to do our part to expand child care options and protect our nation's most valuable resource, our children. I look forward to working with all of my colleagues in this important effort.

Ms. SNOWE. Thank you, Mr. President, I am pleased to join with my colleagues, Senators HATCH, ROBERTS, SPECTER, and CHAFEE to introduce a bill that I believe is an historic opportunity to help ensure the well-being of our children and by extension the very well-being of our nation: the Caring for Children Act.

I come before you as a veteran on child care issues who has worked to address child care throughout my political life, and was the lead Republican cosponsor on the Act for Better Child Care in 1989—the bill which set the stage for the bipartisan package that was adopted by the 101st Congress. Since that time we have advanced the ball in profound ways that reflect the changing nature of the American family, but our work must never cease when it comes to our children. We must build on our laurels, not rest on them: and that is precisely what this bill does.

Consider the challenge: In California alone in 1997, 500,000 children were already on waiting lists for federal child care in—half a million! Now, it is estimated that, as welfare reform proceeds, some 2 million parents across America will join the workforce and their children will require child care. A GAO report from May of last year determined that in Chicago, for example, the known supply of child care would only meet 14 percent of the need for infant child care in the first year of welfare reform implementation. And within three years, 3 out of 4 American women with children under 5 will be working and in need of child care.

With the perspective of years spent on this issue, I have come to the conclusion that what American parents need most are choices. The decision of how to care for a young child is a deeply personal and difficult one. Many feel handcuffed by economic concerns, others worry about the safety of child care, but all face different circumstances that make the decision making process unique.

Given the tremendous challenges of raising children today, and the extraordinary range of issues facing families, I believe the federal government should not be in the business of encouraging one choice over another. Instead the government's role must be to ensure that families have viable options and that the basis for decisions is the best interests of the child. If we are to care about children we must care about choices, and not politicize the issue with partisanship or ideology.

That is the spirit in which we crafted our bill. Because it is not about pitting one group against another. It is not about starting a "mommy war". It is about helping parents do the best they can for their children—no matter what choice they make.

The reality is that, despite our best efforts to date to make quality, affordable child care accessible, the myriad pressures facing American families today still imperil their ability to provide the best possible care for their children. In my home state of Maine, one out of every five Mainers are working multiple jobs. Across the country, 63 percent of women with children under age six are in the workforce, and as a result, over 12 million children are cared for by someone other than a parent during working hours. In Maine, there are 42,000 women in the labor force with children under 6, and 64,000 with children between the ages of 6 and 17.

At the same time, child care costs can range from $4,000 to $9,000 annually—with families earning less than $14,000 per year paying more than one quarter of their income in child support. As a result, families are often forced to make a choice between two unacceptable options: find care for their children that may not be safe or appropriate, or stay home and hope that they can somehow still put food on the table.

Our bill respects parents' decisions and expands the choices available in a number of innovative ways. By expanding the Dependent Care Tax Credit, we make it more affordable for parents to choose quality child care, but we also leave the door open for a parent to stay at home with their child. And we target our tax benefits to those who them most: working American families.

For two-working parent families with child care expenses, we raise the income level at which parents can take the maximum credit from $10,000 to $30,000, allowing more parents to take advantage of the maximum tax credit. In addition, we raise the percentage of child care expenses that parents can put toward their credit to 50% (up from 40% under current law) of expenses up to $2400 for one child, or $4800 for two or more children. The credit will phase down 1% for every $1500 of income above $30,000, phasing out completely for families earning over $105,000 per year. Under this new scheme, the maximum tax credit will be $1200 for one child (up from $720), or $2400 for two or more children (up from $480).

For the first time, parents who forgo an income to stay at home to take care of a child between the ages of 0–3 will be able to take advantage of the Dependent Care Tax Credit. By attributing child care expenses to stay at home parents of $150 per month, they will be eligible for a maximum tax credit of up to $900 per year, depending on their income. Applying the tax credit to parents who wish to stay home for children ages 0–3 acknowledges that parents of infants and toddlers often face the toughest decisions between working or staying at home, particularly in light of recent research in the area of early childhood development which demonstrates that care from one or two consistent, loving and stimulating caregivers during these earliest years is crucial to brain development.

The Caring for Children Act will also help defray the considerable costs of child care for low-income families by *doubling* funding for the Child Care and Development Block Grant, to the time of $5 billion. This will create more child care slots for low-income families and double the amount of money devoted to improving quality, again leaving more options for parents.

And we also address the issue safety, because parents are still rightfully concerned about safety. According to a US News and World Report article last August, a query of all 50 states and the District of Columbia revealed that 76 children died in day care in 1996. The causes included drownings, falls, and being struck by automobiles. And these numbers are low because, shockingly, some states do not even track day care deaths. In terms of oversight, the US News report revealed that in Virginia, for example, the state had failed to make mandatory twice-a-year inspections of 722 of its 4,200 licensed facilities in 1996; 159 centers were not visited even once.

No parents should have to fear for their child's safety—no parent should ever get that dreaded call that their child was hurt at day care. Bringing a young child to day care in the morning should not be an act of faith—it should be an act of confidence. While states have the responsibility to set health and safety standards, states need to be held accountable for enforcing these standards by adhering to the inspection-schedule that they establish under state law. Accordingly, our bill provides a 10 percent bonus in CCDBG funding to states that meet targeted inspection rates, while penalizing those by 10 percent that don't meet their existing responsibility to ensure health and safety. This gives our bill "teeth" to ensure that child care is safe and children are protected.

Finally, we encourage more American businesses to become partners in child care by offering then tax credits for child care operation, construction and renovation expenses up to $500,000. And recognizing that it is not always feasible for small businesses to assist with child care, we offer grants to small employers to provide such care. Businesses already have an incentive to provide child care in that parents who are confident in their child care arrangements are more reliable, productive workers. These initiatives will not only create more slots and make child care more affordable for parents and businesses alike, but it will help literally bring care closer to more parents.

In closing, let me emphasize that this bill is an investment in our nation's future. It is a statement by the federal government that there can be no greater cause—no more noble a purpose than providing for our children. How a nation raises its youth and the value it places on giving children a chance to grow up safe, happy, and healthy speaks volumes to its greatness. This legislation won't make decisions easier for parents but it will ensure that they have a full range of options available to them as they seek to do the very best they can for their children. That's why I'm proud to be here today and that's why I will work hard to ensure the passage of the Caring for Children Act. Thank you.

By Mr. McCAIN (for himself, Mr. COATS, Mr. FAIRCLOTH and Mr. ASHCROFT):

S. 1578. A bill to make available on the Internet, for purposes of access and retrieval by the public, certain information available through the Congressional Research Service web site; to the Committee on Rules and Administration.

CONGRESSIONAL RESEARCH SERVICE LEGISLATION

Mr. McCAIN. Mr. President, I would like to introduce a bill that will make Congressional Research Service Reports, Issue Briefs, and Authorization and Appropriations products available on a web site to the American people. Senator COATS, Senator FAIRCLOTH, and Senator ASHCROFT are original cosponsors to this bill. Additionally, Representative SHAYS will be introducing a companion bill over in the House.

The Congressional Research Service (CRS) has a well-known reputation for producing high-quality reports and issue briefs that are unbiased, concise, and accurate. Many of us have used these CRS products to make decisions on a wide variety of legislative proposals and issues, including Amtrak, the Endangered Species Act, the Line Item Veto, and U.S. policy in Zambia. Also, we routinely issue these products to our constituents in order to help them understand the important issues of our time.

This fiscal year, the American taxpayer will pay $64.6 million to fund the Congressional Research Service. Newspapers, such as the San Jose Mercury-News and the Austin American-Statesman, and watchdog groups, such as the Congressional Accountability Project, have recently asked the Congress to allow the public access to CRS resources. The American people have paid for these valuable resources and have a right to see that their money is being well spent.

Congress can also serve two important functions by allowing public access to this information. First, public access to these CRS products will mark an important milestone in opening up the federal government. Our constituents will be able to see the research documents which influenced our decisions and understand the trade-offs and factors that we consider before a vote. This will give the public a more accurate view of the Congressional decision-making process to counter the prevailing cynical view of Members of Congress selling their votes to the highest campaign contributor.

Also, these CRS reports will serve an important role in informing the public. Members of the public will be able to read these CRS products and receive a concise, accurate summary of the issues that concern them. As elected representatives, we should do what we can to promote an informed, educated public. The educated voter is best able to make decisions and petition us to do the right things here.

The Internet provides an ideal way to inform the public while not distracting CRS from its primary mission to serve Congress. The Director of CRS can simply post CRS products on a web site, and then voters can look up information without any extra effort by CRS researchers. The public will not be allowed to write responses or research requests to CRS, so that valuable CRS time will not be diverted from helping us to do our jobs. Confidential requests by Members of Congress will not be released to the public. It is my intent that CRS establish a separate web site that will serve the public without otherwise causing CRS to do anything drastically different from its current operations when it posts CRS products on the web site accessible to Members of Congress.

I recognize that there have been a few questions about this bill. There are concerns disseminating CRS material via the Internet will remove its protection under the Speech and Debate Clause. At present, no court case has directly addressed this issue. However, the Supreme Court acknowledged in its concurrence to Doe versus McMillan that a legislator's function in informing the public concerning matters before Congress should be protected by the Speech and Debate Clause, similar to communications which relate directly to the legislative process. Furthermore, my bill gives the CRS Director discretion to not release material that he determines is confidential. This aspect of my bill has been upheld in similar circumstances where the U.S. District Court maintained the confidentiality of the underlying research used to create reports by Congressional support agencies. I am including in the RECORD a letter by Mr. Stanley M. Brand, a former General Counsel to the House of Representatives, who agrees that my legislation will not threaten CRS' protection under the Speech and Debate Clause.

I am also aware of potential copyright concerns if the CRS information is made accessible to the public. For example, CRS has informed me that it does not have a copyright agreement that will allow it to make the maps used in CRS products available electronically. I believe we can work out an equitable solution to resolve any copyright concerns that would prevent any CRS Report, Issue Brief, or Authorization or Appropriations product from being electronically disseminated to the public.

Another concern has been raised about the 30 day delay between the release of CRS material to Members of Congress and their staff and its release to the public on the web site. This delay will make sure that CRS has carried out its primary statutory duty of informing Congress before releasing information the public. Also, it will allow CRS to verify that its products are accurate and prepare them for public release in order to protect CRS from liability problems and the American people from being misinformed.

I would like to stress that opening up these select CRS products to the public will in no way compete with existing commercial information services. The public will have access to selected CRS products that are currently available only to Members of Congress and their staff. I firmly believe that the federal government should not be involved in competing with legitimate private industry.

This bill has received popular support from across the country, and I am including in the RECORD a letter of support from many concerned industries and groups including America On-Line, IBM, Public Citizen, and the League of Women Voters of the United States. I hope that my colleagues will join them

Summary of Caring for Children Act
to be Introduced by Senators Chafee, Hatch,
Snowe, Roberts, Specter and Collins
January 28, 1998

1. Provide additional tax relief to families to increase the affordability of child care, and make it more feasible for a parent to stay at home to care for a child:

   a) Amend the Dependent Care Tax Credit (DCTC) to –

      i) raise the income level to $30,000 at which families become eligible for the maximum tax credit.

      ii) raise the maximum percentage that parents can deduct of their child care expenses to 50 percent.

      iii) reduce credit by 1% for each $1,500 earned over $30,000, phasing out credit at $105,000.

   b) Extend eligibility of DCTC to families with a stay-at-home parent by presuming that a stay-at-home parent has minimum child care expenses of $150 per month; apply other rules as outlined in (a). This will apply to stay-at-home parents with children age 3 or under.

      Example: if one parent earns $30,000, and the other parent stays at home for one year to care for the child, they would be eligible for the following credit: (50%) x ($150/month) x (12 months) = $900.

   c) Promote greater availability of the Dependent Care Assistance Program (DCAP) for families with children by authorizing $1 million annually for four years for the Department of Labor to conduct outreach to businesses to promote awareness of the DCAP program.

   d) Provide 20% tax credit of expenses up to $500,000 for employers who construct, renovate or operate on- or near-site facilities for child care for their employees (for a maximum credit of $100,000).

2. Increase the Supply of Quality Child Care:

a) Authorize $50 million per year to increase parents' access to information and to provide technological assistance to child care providers and workers to improve the quality of child care. These funds could be used by HHS for the following purposes:

i) to collect and disseminate state-of-the art information on topics related to child care health and safety, as well as early childhood development. This information could be distributed through brochures, the Internet, a toll-free information hotline, resource and referral organizations, etc.

ii) for grants to organizations to develop and operate a technology-based child care training infrastructure to enable child care providers to receive the training, education and support they need to improve the quality of child care.

b) Require states to beef up inspections and enforce existing state health and safety standards through a carrot/stick approach. States that inspect a certain percentage of the facilities they are required to inspect under state law would receive a 10% boost in their Child Care and Development Block Grant (CCDBG) funding. Starting in the second year, states that fail to meet a minimum threshold level of inspections would receive a 10% penalty, according to the following timetable:

Year	To qualify for 10% bonus, must have inspection rate of at least:	10% penalty would apply for states with inspection rates under:
FY1999:	75%	--
FY2000:	80%	50%
FY2001:	100%	75 %

c) Double the authorization for the CCDBG (this would amount to an additional $5 billion in discretionary funding over 5 years, but would be phased in over time to keep pace with growing state capacity).

d) Encourage small businesses to develop child care programs for their employees through the creation of small business child care grant program. This demonstration project authorizes $60 million over 3 years in competitive grants to be administered by the states.

e) Require federal child care facilities to comply with state health and safety standards.

f) Commission a GAO study to determine the extent to which liability concerns hinders the availability of child care. The report could examine whether fears regarding potential liability exposure deter: employers from establishing on or near-site child care for their employees; schools or community centers from allowing their facilities to be used for on-site child care; and individuals from providing child care services in their homes. The GAO would have 6 months to report to Congress.

News From
SENATOR JOHN CHAFEE
RHODE ISLAND
505 DIRKSEN BUILDING WASHINGTON D.C. 20510-3902 (202)224-2921

FOR IMMEDIATE RELEASE
Wednesday AM, January 28th, 1998

Contact: Nicholas J. Graham
202/224-6167

CHAFEE: "CONGRESS MUST ENACT BIPARTISAN CHILD CARE LEGISLATION THIS YEAR"

Senator, Other Lawmakers, Unveil 'Comprehensive, Innovative and Balanced' Child Care Legislation

Washington, D.C. – U.S. Senator John H. Chafee, a senior member of the Finance Committee and longtime advocate for affordable and quality day care programs, joined other lawmakers at a press conference in the Capitol this morning to unveil a comprehensive, balanced child care proposal that he said would have a positive impact on millions of children and working parents if enacted.

Chafee said the new child care bill which he and others lawmakers crafted will be a "comprehensive, responsible, balanced and pragmatic approach to a very critical and timely problem facing parents every day of their lives".

"Last night in his State of the Union Address, the President issued a clear challenge to Congress to draft and enact legislation to improve child care for working parents across the nation," Chafee said. "I accept that challenge, and state unequivocally that we are prepared to meet that challenge with the introduction of this innovative, comprehensive child care initiative in the Senate today."

Chafee added that he believed there were many goals that the President has outlined on child care that were commendable - such as early childhood development programs, expanding Head Start, and increasing funding for the Child Care and Development Block Grant (CCDBG) program - which Chafee helped author in 1989.

"There is no question that child care is a major challenge in the daily lives of parents everywhere, in terms of both the affordability and availability of quality day care. For most families in America today, child care is not an option, but a necessity. For most working parents, child care is not a luxury, but a fact of everyday life. Furthermore, action is needed now - more than ever before on child care - because we cannot expect welfare reform to work well if we do not provide affordable, accessible and quality day care to parents making the transition from welfare to work."

- MORE -

"The current system is unfair to lower and middle income families where one parent wants to stay at home with the children," Chafee continued. "Currently, the tax code provides for a tax credit for families that place their children in someone else's care, but no credit for a parent who stays home with his or her children. This isn't fair, and it is certainly not a level playing field for many parents with children. We need to find a balance that is fair for all families. The President's proposal does nothing to address the concerns and financial needs of stay-at home parents who choose to care for children. Our proposal does, and it sets the tone and tenor for the debate on child care."

"While the refrain is popular and often heard, it's simply not enough to say that parents *should* stay at home and care for children, and call it 'family values'. We must match our rhetoric with actions - namely, financial incentives which encourage parents who want to stay at home to care for children to be able to do so. Our goal in this bill is to remove the financial barriers that currently prevent parents from making the choice to stay at home and care for children in their early, formative years."

"We also set an income limit on families who benefit from the Dependent Care Tax Credit (DCTC). Under the current system, billionaire and Microsoft CEO Bill Gates gets the same DCTC as a single mother earning $30,000, because everyone gets some credit, regardless of income. Bill Gates doesn't need the assistance. Working parents do. The President's proposal does not place any income restrictions on the DCTC, and I believe it should."

Chafee said the most important and innovative portion of the child care bill deals with offering tax incentives to parents who choose to stay at home to care for and raise their children in their early years, as well as tax incentives to businesses that provide on-site day care.

But he stressed that the second part of the new bill - addressing quality day care - was equally necessary. Specifically, the quality component will: double funding for the Child Care and Development Block Grant (an additional $5 billion over five years); require states to accelerate and improve inspections and enforce existing state health and safety standards; encourage the development of child care programs for employees of small businesses through the creation of a small business child care grant program.

As a senior member of the Finance Committee - which has jurisdiction over tax policy - Chafee will be in a position to fight for tax incentives for working and stay-at home parents; tax credits for small businesses who construct or renovate on-site or near-site day care facilities for workers; and other measures to improve day care.

The bill was introduced by Chafee and Senator Orrin Hatch (R-UT). Original cosponsors are Senators Olympia J. Snowe (R-ME), Pat Roberts (R-KS), Arlen Specter (R-PA), and Susan Collins (R-ME).

__Editor's Note__: An outline of the bill is attached (2 pp.)

NEWS RELEASE

ORRIN HATCH

United States Senator for Utah

January 28, 1998

Contact: Paul Smith (202)224-9854

CHILD CARE

Eight years ago, Congress passed and President Bush signed the landmark Child Care and Development Block Grant Act. I was proud to have helped lead the effort, and I am proud of what our states have been able to accomplish since its implementation.

But, it is also clear that we must do more to help families. In my home state of Utah, more than half of the children under age 6 have either their only parent or both parents in the workforce.

The "Child Care Connection," a four-county resource and referral program, reported last year that there were five major Salt Lake zip codes that had zero openings for infants.

Utah child care officials have reported that there are too few slots generally for infants and toddlers and for special needs children.

It is my pleasure to be here today with Senators Chafee, Snowe, Roberts, and Specter, each of whom has a long track record of involvement in child care issues. We believe that we have developed a comprehensive, yet realistic, child care proposal that will augment the ability of the child care block grant to serve families in each state.

Of particular note, this proposal recognizes the choice that many families make to have one parent remain at home as primary caregiver. As important as it is to assist low- and middle-income families with necessary out-of-home child care expenses -- and our proposal will increase the Dependent Care Tax Credit for such families -- it is also important for us to realize the value of a parent in the home and that the sacrifice of a second income is also a child care expense.

Additionally, our proposal will not create major new programs in need of permanent funding. We do not intend to spend federal dollars on bigger bureaucracy in the name of expanding child care. We want available resources to be put directly in the hands of parents through tax credits and in the hands of states to address specific gaps in availability and enforcement of health and safety standards.

I am enthusiastic about the legislation we will be introducing and look foward to working toward its passage.

Post-it Fax Note 7671 | To Karen | Co./Dept. | Phone # | Fax # | From Dave Lackey | Co. Sen. Snowe | Phone # | Fax #

NEWS RE
OLYMPIA
U.S. Senator for Maine

FOR IMMEDIATE RELEASE
Wednesday, January 28, 1998

CONTACT: DAVE LACKEY
(202) 224-5344

SNOWE TARGETS STAY-AT-HOME PARENTS IN ROLLOUT OF NEW CHILD CARE INITIATIVE

Snowe introduces Caring for Children Act with Senators Chafee, Hatch, Roberts, Specter

WASHINGTON, D.C. —U.S. Senator Olympia J. Snowe today joined a team of concerned Republican lawmakers at a Capitol Hill News Conference to introduce the Caring for Children Act, which strengthens federal child care programs, and for the first time addresses the needs of parents who stay at home with their children.

"This bill represents a bold and innovative new approach that provides assistance not only to those working parents struggling to afford quality child care, but to those parents who decide to forego a second income and stay at home to care for young children," Snowe said. "It is not about pitting one group against another, or starting a 'mommy war'. It is about helping parents do the best they can for their children, no matter what choice they make."

The Maine Senator, a leader in Congress for nearly two decades on child care issues, made her comments as the legislation was unveiled at a Capitol Hill News Conference Wednesday. The legislation is the culmination of three months of work by Snowe and Senators John Chafee (R-R.I.), Orrin Hatch (R-Utah), Pat Roberts (R-Kan.) and Arlen Specter (R-Pa.) aimed at addressing the realities that face parents today.

"Our bill respects parents' decisions and expands the choices available in a number of innovative ways. By expanding the Dependent Care Tax Credit, we make it more affordable for parents to choose quality child care, but also leave the door open for a parent to stay at home with their child. And we target our tax benefits to those who need them most: working families," Snowe said. "We provide what parents need most: choices."

"The decision of how to care for a young child is deeply personal and difficult. Many feel handcuffed by economic concerns, others worry about the safety of child care, but all face different circumstances that make the decision-making process unique. The reality is that, despite our best efforts to date to make quality, affordable child care accessible, the myriad pressures facing American families today still imperil their ability to provide the best possible care for their children," Snowe said, noting that 63% of women with children under six are in the workforce, and one of every five Mainers works multiple jobs. "Millions of families struggle with decisions over who should care for their young children," she said.

The Caring for Children Act will take steps to improve affordability and quality of child care, and to increase the stake of the business community in providing child care to employees. Notable provisions include:

- *Affordability* - The Caring for Children Act doubles funding for the Child Care and Development Block Grant, from $5 to $10 billion, to make child care more affordable for millions of low-income working families.
- *Tax credit* - The bill increases the maximum Dependent Care Tax Credit from 30% to 50% of child care costs to permit working parents with child care expenses to take a maximum tax credit of $1,200 for one child, or $2,400 for two or more children. A maximum tax credit of $900 would be available to parents who stay home for a year to care for a child aged three or younger.
- *Business commitment* - The bill provides tax credits to businesses for child care-related start-up costs of up to $500,000, and provides grants to small employers for child care.
- *Liability* - The legislation commissions a study by the U.S. General Accounting Office to determine if liability concerns are hindering the availability of child care.
- *Quality* - To ensure that every child placed in child care has a healthy and safe environment, the legislation takes a 'carrot-and-stick' approach that provides bonuses to states that meet the targeted inspection rate while penalizing those who lag far below what is expected of them.

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UNITED STATES SENATOR • MAINE
SUSAN COLLINS
PRESS RELEASE

For Immediate Release
January 28, 1998

Contact: Felicia Knight
(202) 224 2523

SENATOR COLLINS IS ORIGINAL CO-SPONSOR FOR GOP CHILD CARE BILL

WASHINGTON, D.C.—Senator Susan Collins is co-sponsoring child care legislation that is aimed at helping not only working parents, but also parents who choose to stay home. The bill, introduced by Senator John Chafee (R-Rhode Island), will increase the federal income tax credit available to low and middle-income parents for child-care expenses. It also creates a child-care grant program for small businesses to encourage them to develop child care programs for their employees.

"I'm happy to be an original co-sponsor of this bill," said Senator Collins, "because it recognizes the child-care problems faced by all parents, not just those who work outside the home." The child-care bill proposed by President Clinton does not allow a tax credit for parents who stay at home, many of whom are sacrificing an income while also incurring significant child-care costs.

The Chafee bill raises the income level at which working parents become eligible for the maximum tax credit from $10,000 to $30,000, and raises the maximum percentage of child care expenses which can be deducted from 30 to 50 percent.

The bill extends this benefit to stay-at-home parents with children age three and under, by applying the same eligibility guidelines and assuming minimum child-care expenses of $150 per family.

"With this bill," said Senator Collins, "greater benefits will go to more Maine families in with middle and lower incomes."

Sen. Olympia Snowe (R-Maine) is also an original co-sponsor of the Chafee bill, along with Senators Orrin Hatch (R-Utah), Sen. Pat Roberts (R-Kansas), and Sen. Arlen Specter (R-Pennsylvania).

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NEWS RELEASE
Pat Roberts
UNITED STATES SENATOR ■ KANSAS

CONTACT: Betsy Holahan (202) 224-4774

FOR IMMEDIATE RELEASE
January 28, 1998

Roberts Holds Press Conference on Child Care Plan
"We need to protect our nation's most valuable resource — our children."

WASHINGTON, DC — Kansas Senator Pat Roberts today will hold a press conference to unveil major legislation expanding child care options for working Americans.

Roberts and a group of Republican Senators will outline the *"Caring For Children Act"* — scheduled for Senate introduction today - at a 9:30 a.m. press conference in the Capitol's Senate Radio-TV Gallery (S-325).

"We believe child care should be accessible, affordable and safe for all children," Roberts said. "Finding quality, affordable child care is one of the most pressing problems for families in Kansas and around the country."

The legislation includes expansion of the Dependent Care Tax Credit and incentives for small businesses to provide added opportunity for child care for their employees. Those provisions were first proposed by Roberts in a bill last year.

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NEWS RELEASE
Pat Roberts

UNITED STATES SENATOR ■ KANSAS

CONTACT: Betsy Holahan (202) 224-4774

FOR IMMEDIATE RELEASE
January 26, 1998

Roberts' Child Care Plan Included in Senate Bill

WASHINGTON, DC -- Key provisions of Kansas Senator Pat Roberts' plan to expand child care options for working Americans are included in major legislation scheduled for Senate introduction.

The legislation being pushed by a group of Republican Senators includes expansion of the Dependent Care Tax Credit and incentives for small businesses to provide added opportunity for child care for their employees. Those provisions were first proposed by Senator Roberts in a bill last year.

"These provisions are the backbone of our legislation, which will be introduced within the next two weeks," Roberts said. "They represent a common-sense approach to helping working parents find dependable and affordable child care.

"Our goal is to expand child care opportunities without expanded government costs or intrusion in our lives.

"Child care, in the home when possible and outside the home when both parents work, goes right to the heart of keeping families strong. Unfortunately, finding quality, affordable child care is one of the most pressing problems for families in Kansas and around the country. I intend to make this legislation the highest priority."

The legislation allows families making $30,000 to take advantage of the child care tax credit, which would be phased out for families with incomes over $105,000. Additionally, it would be expanded to cover stay-at-home parents with children under age 6.

The legislation provides seed grants to small businesses and incentives for states to beef up health and safety standards.

In Kansas, only 39 (37 percent) of 105 counties meet the national standard of 25 child care slots per 100 children under age 13.

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PAT ROBERTS
KANSAS

United States Senate

WASHINGTON, DC

CARING FOR CHILDREN ACT
SENATOR PAT ROBERTS
January 28, 1998

I am pleased and honored to join with my colleagues to introduce legislation to help meet the child care challenges facing families around the nation. Our bill is entitled the "Caring for Children Act."

Child care, in the home when possible and outside the home when both parents work, goes right to the heart of keeping families strong. Unfortunately, finding quality, affordable child care is one of the most pressing problems for families in Kansas and around the country.

The "Caring for Children Act" takes the first steps to address this challenge through a responsible approach. This legislation expands child care opportunities without expanded government costs or intrusion in our lives. This legislation builds into the existing network without adding more government intervention or mandates. This legislation will help families that have two working parents and families that have a stay-at-home parent. This legislation will help to increase the supply of quality of child care.

First, in order to provide additional tax relief and increase affordability of child care, we expand the Dependent Care Tax Credit (DCTC) by raising the income level to $30,000 at which families become eligible for the maximum tax credit. We also raise the maximum percentage of child care expenses that parents can deduct to 50 percent. These changes make the DCTC more realistic for families that face increasing child care costs.

Increasing the income level and the percentage of child care expenses that are deductible will help families where both parents work. But, we also recognize that families who choose to have one parent remain at home have child care expenses as well. Therefore, we extend eligibility for the DCTC to families with a stay-at-home parent. This provides greater options to more families and leaves child care choices where they should be—with the family. In order to target this credit to parents who need it the most and meet our fiscal responsibilities, the credit is phased out for higher income wage earners.

Small businesses play a critical role in providing child care options to millions of working parents. Unfortunately, small businesses generally do not have the resources required to start up and support a child care center. The "Caring for Children Act" includes a short-term, flexible grant program to encourage small businesses to work together to provide child care services for employees. This program is more of a demonstration project that will sunset at the end of three years. In the meantime, small businesses will be eligible for grants up to $100,000 for start-up costs, training, scholarships, or other related activities. Businesses must continue to meet state quality and health standards. Businesses will be required to match federal funds to encourage self-sustaining facilities well into the future.

"Caring for Children" also includes provisions to provide a tax credit of expenses up to $500,000 for employers who choose to construct, renovate, or operate on- or near-site child care facilities for their employees. And, "Caring for Children" includes funding to promote greater availability of the Dependent Care Assistance Program (DCAP) for families with children. This will allow the Department of Labor to conduct outreach to businesses to promote awareness of the DCAP program.

All children deserve quality care. Although all states have health and safety standards in place, many times these regulations are not enforced. "Caring for Children" includes incentives for states to improve their inspection efforts and ensure that facilities are in compliance with their own state standards. The bill also authorizes funding for the Department of Health and Human Services to get more information in the hands of parents and help child care providers access child care training programs.

Finally, we authorize additional funding for the Child Care and Development Block Grant. This program sends federal assistance to states, permitting them to allocate resources where they are most needed in the state. We maintain maximum flexibility and allow states to make decisions about how to address their own child care challenges.

Child care is an issue that impacts each and every one of us. While parents continue to struggle to meet the constant demand of work and family, we must continue to do our part to expand child care options and protect our nation's most valuable resource, our children. I look forward to working with all of my colleagues in this important effort.