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Child Care

Four Decades of Growth and Change

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Child care has grown and changed over the past four decades. The federal government now has two major early education programs, Head Start and the Child Care and Development Block Grant. Although Head Start was enacted in 1965 and has had mostly bipartisan support, it took the federal government until 1990 to enact a national child care program. Massachusetts, led by an active advocacy community and strong leadership in the state legislature, has been a leader among states in support for child care funding and policies. It is its support for strong licensing, periodic increases in reimbursement rates, parental choice, and innovative approaches to a more comprehensive system of early care and education over the past four decades that have made the state a leader.

Over the past forty years, there has been a dramatic increase in the proportion of single-parent families, blended families, and families in which both parents work outside the home. In 1980, about 21 percent of children in the United States lived in a single-parent family. By 2000, 31 percent of all children were living in a single-parent family.¹ The number of married couples with children, in which both the husband and wife are in the labor force, continued to exhibit an upward trend. Over the past fifteen years, the number of such families increased from 14.6 million to 17.1 million.² In addition, both fathers and mothers work longer hours per week than twenty years ago (three and five hours longer, respectively).³ When parents are unable to arrange for quality, reliable care and supervision, children and youth are at increased risk.

Although we have seen tremendous growth in child care in Massachusetts and in the United States, the need for good quality, safe and healthy child care is still great especially for working poor families and families transitioning off of welfare. They need access to good programs and financial support to afford them. Most states still have long lists of eligible families waiting to receive the support they need to become or remain economically independent. The growth

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has occurred sometimes with the support from state and federal governments and sometimes despite barriers created by national and state policies.

State and federal government support for child care continues to be a topic for debate. The federal debate, even in 2004, continues to involve some of the most fundamental questions: Should the provision of child care be a role of government or solely a family responsibility? If government subsidizes care, will it affect the structure of the family? Should government participation be limited to subsidizing care only for those on public assistance or should it help families struggling to stay off of welfare? Does government support shape the role of women in society or merely respond to changing roles already taking place? Is child care merely a work support or must it also address child development? Emily Cahan's historical review of early childhood care and education in the United States describes two tiers of programs: "One tier, rooted in the social welfare system, was driven by a desire to reduce welfare payments — with scant attention to the need of the child. This system of custodial "group child care" for low-income families was in sharp contrast to the second tier — rooted in the education system that provided "preschool education" mainly for children of middle and upper-middle classes."⁴

In the 1960s, states were increasingly using federal dollars from the Social Services funding of the Social Security Act (SSA) to fund child care services, an outgrowth of cash assistance welfare, this social services funding was created under the rationale that it could provide states with some limited matching funds for "soft" services needed to move some families off of AFDC. But still it had not been created for the purpose of federally funding child care and certainly not for the entire population.

The first major re-examination of the federal policy regarding child care since the end of World War II would take place in 1965. The Head Start program was part of the "War on Poverty," and conceived as a comprehensive service model for low-income pre-school children and their families. It has received widespread mostly bipartisan support from administrations and congresses over the past forty years. So by the late 1960s there were two sources of support for forms of child care: Head Start as a comprehensive development model that assisted families as part of its mission and Social Services funding that subsidized some limited state child care efforts as one part of its many missions.

The 92nd Congress passed the 1971 Comprehensive Child Development Act that was vetoed by President Nixon in December. In his veto message the President labeled the bill "the most radical piece of legislation to emerge from the ninety-second congress" and "family-weakening."⁵ It took almost another twenty years to enact comprehensive federal child care and development legislation.

As more states developed strategies around drawing down the open-ended broad funding provided through the social services program of the SSA, there were efforts to restrain the growth of such funding. In 1981 it became Title

XX of the Social Security Act and was re-named the Social Services Block Grant (SSBG). While SSBG continued in its role of being the prime federal source of support for child care it also funded a range of other human services. At times, SSBG would be the focal point of national legislative debates to incorporate minimum child care standards.⁶

Through the rest of the 1970s and into the 1980s, Head Start and SSBG would continue to be the most significant statement on child care. After the failed effort in 1971, the 94th Congress passed the Child and Family Services Act of 1975 but it was vetoed by President Gerald Ford and again Congress failed in their veto override attempt.

In 1988, with the enactment of the Family Support Act that incorporated a number of changes to AFDC, two specific funding streams were established to provide child care subsidies and services, one for families in training and education and a second for families that left AFDC for work — “transitional” child care.

1990 represented a historic move forward when Congress enacted the Child Care and Development Block Grant (CCDBG). Funded at \$750 million in its first year, CCDBG specifically targeted child care to low- and middle-income families. The Congress also added a limited third funding stream to the AFDC program when it created a capped entitlement for families that were defined as being “at-risk” of going on AFDC. The CCDBG allowed states great flexibility in designing their child care programs. States could use federal funds to provide services to families up to 75 percent of a state’s median income level. Families were assured choice in the selection of their providers and both vouchers and contracts could be used to provide services. In addition the new law required states to have in place minimum health and safety standards although the extent of those regulations was up to each state. CCDBG also created a quality set-aside of funds.

Child care was a critical element of the debates between 1994 through 1996 when Congress revisited the topic of changes and reforms to the AFDC entitlement and a final welfare bill was adopted. When Congress and the President agreed to block grant the cash assistance AFDC program, they also created minimum work requirements for adults receiving benefits. As a result, more child care funding became a necessary component to any final agreement.

The final 1996 Temporary Assistance for Needy Families (Personal Responsibility and Work Opportunity Reconciliation Act of 1996, Public Law 104-193) or “TANF” block grant also included a major reconfiguration of the nation’s child care funding and as result a reconfiguration and expansion of state systems. The three AFDC-related child care funds were all combined along with the CCDBG funds into one block grant. The CCDF still required states to have in place minimum health and safety standards.

The new CCDF included an initial increase of more than \$800 million. From 1997 through 2002, federal funding for the CCDF rose from \$3 billion

to \$4.8 billion. In addition, the new flexibility created in the TANF block grant caused states to place as much as \$4 billion in TANF funds into child care⁷ so that in 2002 \$8.5 billion in federal funds was spent on child care. In 2004, Congress continues to debate over a reauthorization or extension of the existing child care fund. The reauthorization is wrapped in legislation to extend the TANF block grant. Both block grants legally ended in 2002 but have been extended temporarily until both houses of congress and the White House can reach an agreement.

Over the past four decades, child care has been tied to the employment and training of poor women. It has been included in the welfare changes in the last two decades. With the emergence of the debate about early brain development and the school testing movements in the 1990s, more emphasis has now been placed in the developmental needs of young children. Early childhood programs now need to prepare their children for school. They need to be part of their community's school readiness program, but federal regulations and appropriation levels only fund custodial-type programs. This has left states to come up with additional funding and solutions to improve the quality of child care programs in their states.

Massachusetts has been seen nationally as a leader among states in its commitment to child care for its per capita expenditures have always been higher than other states. Comprehensive approaches to increasing capacity, improving quality, assisting working families, and supporting programs were contemplated and implemented throughout the last forty years. This is not to say that everything was always good, that state cutbacks did not occur, or that the child care system has not needed to be improved.

Massachusetts has had an organized group of advocates that includes the association of child care agencies, parents, family child care providers, and human service and welfare rights advocates. It also has had a strong group of elected officials as child care advocates in the state legislature that fought for increased state appropriations and better policies. It seemed that, as one legislative advocate left, another would step forward to take the lead.

The executive branch of the Massachusetts government has, for the most part, been supportive of providing child care subsidies to low-income working families, families leaving public assistance, and families involved in the child welfare system. Several governors have provided outstanding leadership in trying to develop a comprehensive child care system. For most of the last four decades, professionals dedicated to serving the needs of children and their families have staffed the departmental agencies responsible for child care funding and licensing.

Massachusetts has always been committed to a strong licensing system to protect the health and safety of young children in child care settings, a strong set of standards compared to many other states, and it has also been committed to a contracting system that began in 1976. The state has maintained a strong system

of contracts that provides stability for community-based programs serving families receiving child care subsidies as other states abandoned contracts once the federal Child Care and Development Block Grant was passed. The block grant encouraged a system of vouchers and certificates that give parental choice but can also mean the loss of important child care funding in some communities as the vouchers are used in other locations. Massachusetts developed a combined system of both contracts and vouchers, although over the years, the largest growth has been on the voucher side of the equation.

The four decades have seen changes and growth in Massachusetts. In the early 1970s, there were new and expanded programs and models including a purchase of service system that allowed unlimited growth. After-school programs were started and expanded. A network of family child care homes was a model of service delivery developed by the Women's Industrial Union in the 1960s and greatly expanded in the 1970s. Massachusetts now has the largest number of these programs.

1972 saw the creation of the Office for Children (OFC) as the state licensing and children's advocacy agency. The Department of Social Services (DSS) was created in 1978 and took responsibility for the state contracts in 1979. DSS convened an advisory group that looked at the system and recommended the development of a sliding-fee scale for child care subsidies in 1980. Prior to the sliding-fee scale, parents who were eligible for a subsidy did not make a co-payment. They were either eligible for "free" child care or not eligible at all. This meant that as a parent's income would rise, she could lose her subsidy. The sliding-fee scale allowed parents to earn higher income without losing their eligibility, but it required them to pay higher fees as their income rose. Massachusetts was a decade ahead of the rest of the country. The notion of a sliding-fee scale was adopted in the 1990 federal Child Care and Development Block Grant.

In 1985, Governor Michael Dukakis announced the Governor's Day Care Partnership Initiative, a two-year program to strengthen and expand high quality, affordable child care in the state. For two years, working committees made up of state employees, advocates, providers, parents, and community and business leaders met to develop the comprehensive plan. The plan helped increase the number of children receiving subsidized child care, increased training and professional development opportunities for the staff of local programs, and encouraged corporate partnerships to expand child care services. State spending for child care increased by 39 percent between FY85 and FY87.⁸

In 1992, the Community Partnerships for Children program was created within the Massachusetts Department of Education (DOE), bringing together local public schools, Head Start programs, and local child care programs to plan a comprehensive system of care for preschool children in their community. With state funding through DOE, preschool services were developed and/or expanded for these children. Any or all of the local partners could deliver

the services. The program was greatly expanded throughout the 1990s as community leaders learned more about the importance of early learning on a child's growth and development.

In response to the school readiness debate and in an effort to move toward a voluntary universal early education system for all young children, the Massachusetts legislature recently created a new executive agency, the Department of Early Education and Care. The agency will combine the functions of the Office of Child Care Services that administers the state and federal child care subsidy dollars for low- and moderate-income working families and licenses all child care programs in the state with the preschool programs of the Department of Education and some of the early intervention services from the Department of Public Health. At the time this article was written, it is unclear if the governor will approve or veto this new department. It is also unclear if future funding for this ambitious initiative will be made available and if it really will benefit children of working families. The young children of Massachusetts are counting on the child care advocates, providers, parents, business and government leaders, and the education community to work together to make it a success. ❁

Notes

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2. U.S. Census Bureau, *Married Couples by Labor Force Status of Spouses: 1986 to Present*, (Washington: U.S. Government Printing Office, 2001), Table MC 1.
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6. Paul E. Mott, *Meeting Human Needs: The Social and Political History of Title XX* (Columbus: National Conference on Social Welfare, 1976), 42.
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8. *Final Report of the Governor's Day Care Partnership Initiative*, (Boston: Governor's Office of Human Services, Commonwealth of Massachusetts, 1987), 46.