



Federation of Protestant Welfare Agencies

TESTIMONY

of

The Federation of Protestant Welfare Agencies

**Before the
New York State Assembly Committees on Labor, Children & Families, and
Social Services**

Public Hearing on Access to Quality Child Care for Working Families

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My name is Vani Sankarapandian and I am the Senior Policy Analyst for Early Childhood Education and Child Welfare at the Federation of Protestant Welfare Agencies (FPWA). For 85 years, FPWA has been a leading policy advocate for individuals and families served by our almost 300 member human service agencies and churches in and around New York City. FPWA promotes the social and economic well-being of greater New York's most vulnerable by strengthening human service organizations and advocating for just public policies.

I would first like to thank the New York State Assembly Committees on Labor, Children & Families, and Social Services for initiating a public hearing to examine the very real challenges that low-income families face in procuring child care. Child care is extremely important to the children and families of New York State. Children need high quality early care experiences that foster positive personal development and prepare them for future academic success. Parents need reliable, nurturing early care programs where their children are kept safe while they are at work. It is therefore essential that New York State invest in measures that not only increase access to subsidized care for low-income working parents, but also promote higher quality learning for children in care. FPWA calls upon the State to make this commitment to children and families across New York.

Address High Child Care Co-Payments as a Barrier to Access

High co-payments for families receiving child care serve as a tremendous barrier to accessing subsidized care. Struggling with a multitude of problems, including employment, housing, transportation, and food security, low-income parents facing prohibitively high child care co-payments may be forced to forego subsidized child care in favor of potentially unreliable, unregulated informal care arrangements. Child care fees of any amount are particularly difficult for families living under the federal poverty level (FPL) to accommodate. With such limited family resources at their disposal, child care fees cut into a family in poverty's ability to secure basic necessities.

Depending on the county in which they reside, New York families are charged a certain percentage of the difference between their annual gross income and the FPL in yearly child care fees. For families in poverty who have no marginal income over the FPL, State regulation requires a "minimum weekly family share of one dollar for each family

receiving child care services.” In New York City, families under the FPL are charged \$3 per week for full-time child care.

This may not seem like a lot to us, but paying \$3, or even \$1, per week for child care is an enormous burden for families living under the FPL. Consider, for example, a family of two living in New York City. The FPL for this family is \$13,690. In New York City, where the costs of living are so expensive, \$13,000 does not even begin to cover the costs of a family of two. In fact, according to the Economic Policy Institute, which attempted to calculate basic family budgets in 2004 that would more accurately capture the costs of modest living, a family of two (one parent, one child) in New York City would need \$44,724 annually to live.¹ That is roughly \$31,000 over what is considered “poverty” for a family of two. In New York City, the \$156 that a family under the FPL pays in yearly child care fees for subsidized care could be spent on basic necessities such as food, clothes, and shelter.

Given that families that fall under the FPL are already so far from having the resources to cover even the costs of modest living, FPWA urges New York State to eliminate child care co-pays for families below the poverty level. Parents in these families should be encouraged to dedicate their income to securing their family’s financial stability, rather than being asked to devote scarce family resources to child care fees.

Furthermore, FPWA urges New York State to examine the wide county-by-county disparities in child care co-payments and to develop a co-payment system that is both affordable and equitable. To determine child care co-pays in accordance with New York State regulations, local social service districts must select a percentage between 10% and 35% and then apply that percentage to annual gross family income over the federal poverty level (FPL). Given that counties can charge families between 10 and 35% of their marginal income over the FPL in yearly child care fees, families living in different counties end up paying highly variable amounts. For example, a family of three at 200% of poverty pays annual child care fees of \$1717 in Ostego County, \$2575 in Westchester County, \$3434 in Allegany County, and \$6010 in Broome County.² Although New York’s

¹ “Basic Family Budget Calculator,” Economic Policy Institute. Available at http://www.epi.org/content.cfm/datazone_fambud_budget.

² Susan Antos, “Co-payment Disparities by County for a Family of Three with an Income of \$34,340/year,” Empire Justice Center.

stated rationale for allowing counties to choose such variable percentages in determining yearly child care fees is that counties need this flexibility “[d]ue to the wide disparity of per capita income, consumer price levels and the cost, availability and accessibility of child care among geographic jurisdictions within New York State,” research by the Empire Justice Center shows no correlation between co-payment amounts and these factors across New York State counties.³

Families in need of subsidized child care should not be faced with such differing amounts of child care fees simply because they reside in a particular county. In order to cure statewide co-payment disparities and to ensure that low-income families have access to the care they need without risking their financial security, the State should follow the lead of New York City and cap the amount a family pays towards child care co-pays at 10% of annual family income. A 10% cap would not only make child care more affordable for low-income families struggling to make ends meet, but would also ensure that similarly situated families across the State are treated equally.

If New York State does not re-evaluate its co-payment system, the effects for children and families will be severe. High co-payments will continue to block access to subsidized child care, forcing parents to place their children in the only care they can afford. This may result in a compromised level of safety and an early learning experience that falls short of the kind of high-quality, developmentally appropriate care necessary to prepare them for a lifetime of success. For parents, access to subsidized care is crucial to preserving their job security and the financial security of the family as a whole. This is particularly critical now, given that more low-income mothers are entering the workforce. Without child care assistance, single parents are at risk of losing their jobs and may even find themselves in need of public assistance.

³ Michale Mule and Susan Antos, “The Geographic Disparity of Child Care Co-payments in New York State Is Fundamentally Unfair and Needs to Be Changed,” Empire Justice Center; New York State Draft Child Care and Development Fund Plan for FFY 2008-2009.

Rescind the Child Support Requirement for Families Seeking Subsidized Child Care

FPWA also strongly supports eliminating another barrier to child care access for low-income families: the child support requirement. This regulation requires parents to actively pursue child support as a condition for receiving subsidized child care assistance. Currently, parents in need are discouraged from seeking subsidized care for fear of being forced to pursue court-ordered child support. Although child support collection should be encouraged, there are many reasons why it should not be required, including:

- Missing days of work to appear in court and engage in the process of pursuing a child support order can compromise the job security of low-income parents, many of whom do not have the benefit of paid leave.
- Pursuing court-ordered support may disrupt already-existing informal or voluntary support arrangements and place an unnecessary strain on relationships with the absent parent.
- Parents who are currently involved in immigration proceedings are reluctant to appear in Family Court for fear of jeopardizing their ability to stay in this country.
- Parents with a history of domestic violence are wary of contacting non-custodial parents for fear of opening up their families to potentially abusive situations. Although there is a good cause exemption for situations in which the pursuit of child support would “adversely affect the health, safety or welfare” of the child or other persons in the child’s household, the application of this exemption is extremely difficult for both child care workers and parents to understand. The result is that parents are scared away from accessing subsidized child care assistance.

The application of this requirement also makes it extremely difficult for parents to access care. A parent must pursue child support for all children in the household under age 13, even if he or she is not seeking subsidized child care for every child. Moreover, a parent who fails to cooperate for one child loses child care assistance for all children in the household.

In New York City, the child support requirement has had a devastating impact on the ability of low-income families to access subsidized care. According to a survey conducted by the Welfare Reform Network's Child Care Committee of 86 ACS centers in Brooklyn and the Bronx, three out of four center directors said that the child support requirement had resulted in the loss of single-parent applicants. Of the directors who were able to provide an estimate of the percentage of applicants lost, estimates were as high as 75%. The average estimated loss was 38%.⁴

We call on New York State to do what is right for New York's children and families and rescind the child support requirement for families seeking subsidized child care.

Establish a Statewide Rating System to Promote Quality Child Care in New York

Participation in a high-quality preschool program can have a significant and positive impact on a child's future development. Children who have the benefit of a quality preschool education are more likely to achieve academic success, graduate from high school, attend college, participate in the work force, and experience positive family life. They are also less likely to enter the criminal justice system or smoke or use drugs.⁵

National accreditation programs, like that of the National Association for the Education of Young Children (NAEYC), demonstrate the importance of measuring and promoting quality in child care. These programs identify quality standards and encourage child care programs to implement the programmatic changes necessary for reaching those standards. Accreditation standards address a variety of aspects of the provision of care, including class size, staff-to-child ratios, parent/child, staff/child and staff/parent relationships, child development, and teacher training and education. The accreditation process prompts child care programs to engage in self-evaluation, identify areas for improvement, and develop strategies to enhance quality and improve caregiving.⁶

⁴ "Report on the Effect of the Court-Ordered Child Support Requirement on ACS Child Care Centers," Welfare Reform Network's Child Care Committee, 2007.

⁵ Schulman and Barnett, "What Impacts Does Preschool Education Have on Personal Responsibility and Related Social Behavior?," National Institute for Early Education Research, 2006. Available at <http://nieer.org/resources/research/ImpactsOfPreKOnLifeChoices.pdf>.

⁶ "Making the Case for Supporting NAEYC Accreditation," Quality New York, May 2006. Available at <http://www.qualitynewyork.org/PDF/QNYResearchStephens5%206-24-06.pdf>.

Research shows that accreditation elevates quality in early care and education programs. A Minnesota study of 22 accredited child care centers found that across six areas of child development, the large majority of children were rated as “proficient” or “school ready.” These proficiency ratings varied only slightly when examined across different levels of household income and parent education, as well as different racial/ethnic backgrounds. In comparison to another statewide study of Minnesota children, low-income children in the accredited centers were much more likely than low income children in the state to be rated as “school-ready” across the development areas studied.⁷

Based on the success of accreditation programs and their demonstrated impact on improved outcomes for children, it is clear that New York State needs a statewide Quality Rating and Improvement System (QRIS) that will establish uniform standards for high-quality care across the State and serve as a benchmark for child care programs seeking to advance. Such a system would help move child care programs towards high-quality service provision by providing them with identifiable goals and guidance on improved resource allocations and programmatic development. The ratings would also help inform parents, allowing them to easily and efficiently identify high-quality programs for their children.

The importance of QRISs has garnered increasing attention across the country. Fourteen states have implemented a QRIS, and 32 other states have plans to do the same.⁸ For example, Pennsylvania first implemented its QRIS, known as Keystone STARS, as a pilot project in 2002. An evaluation of the program published in 2006 found that child care centers in Keystone STARS had higher quality programs than Pennsylvania centers that did not participate.⁹ Furthermore, Keystone STARS centers in the top two levels of quality achievement were of much higher quality than centers in the

⁷ “School Readiness in Child Care Settings: A Developmental Assessment of Children in 22 Accredited Child Care Centers,” Minnesota Department of Human Services, February 2005.

⁸ “NAEYC Quality Ratings Systems (QRS) Toolkit,” National Association for the Education of Young Children, May 2007.

⁹ “Evaluation of Pennsylvania’s Keystone STARS Quality Rating System in Child Care Settings,” University of Pittsburgh Office of Child Development and Pennsylvania State University Prevention Research Center, December 2006.

lower levels of quality achievement and centers that were not in Keystone STARS at all.¹⁰

In New York, the New York State Child Care Coordinating Council has convened a group of committed early care stakeholders, including advocates, researchers, and government representatives, for nearly two years with the express purpose of identifying the essential components of a QRIS for New York State. FPWA is proud to report that this important Work Group included representatives from our Quality New York Initiative, a collaborative enterprise established by Bank Street College of Education, Child Care Inc., and FPWA that assists child care centers in New York City to pursue accreditation. Some of the vital components of a QRIS identified by the Work Group include (1) research-based standards to assess program quality in a variety of areas including staff qualifications, cultural competency, and physical environment, (2) a rating system that is easily accessible to parents (such as a system that assigns 1-5 stars to a program to indicate level of quality), (3) general consumer outreach, and (4) technical assistance and funding to support programs in making costly programmatic improvements.

We cannot emphasize enough the importance of provider support and funding. Quality improvement requires a significant commitment of time and resources on the part of child care programs. Rewarding programs for striving towards higher quality with monetary support, including higher reimbursement rates for programs participating in the child care subsidy system, will encourage more programs to initiate this process.¹¹ Moreover, beyond creating a financial incentive for programs to improve quality, providers need the additional money to maintain programmatic and structural improvements.¹² Hiring more staff to meet higher staff-to-child ratios, improving facilities to create more suitable learning environments, and other quality-enhancing changes are extremely expensive to execute and maintain. Financial support is necessary to help child care programs sustain these critical advancements in quality.

¹⁰ Ibid.

¹¹ William T. Gormley, Jr. and Jessica K. Lucas, "Money, Accreditation, and Child Care Center Quality," The Foundation for Child Development, Working Paper Series, August 2000. (According to one study, in over half of the states examined, "differential reimbursement policies" based on accreditation status resulted in a statistically significant increase in the number of child care centers which applied for accreditation.)

¹² Ibid.

In her presentation on October 26, 2007 regarding budget goals for the New York State Office of Children and Family Services (OCFS), Commissioner Gladys Carrion noted that OCFS was in the process of developing a pilot for a quality rating system that would utilize federal funding. We are very pleased to hear that that this important work is in progress, and we encourage the New York State Assembly and OCFS to work with the previously established Work Group to craft a much-needed QRIS for early childhood programs in New York State.

Thank you for the opportunity to testify.