



Family Matters

Early Childhood Care and Education Update

Volume 2 Issue 1

A Family Impact Seminar Newsletter for Wisconsin Policymakers

May 2002

What Are States Doing in Early Childhood Care and Education?

In 1999, states spent about \$535 million more on subsidized child care than they were required to spend by federal matching guidelines. State government plays two important roles in supporting young children and their families: (1) administering federal funds which come to states as block grants, and (2) generating and investing funds of their own to benefit children. States have invested in several efforts to improve quality.

Improvements in Training and Compensation for Child Care Professionals

North Carolina enacted WAGE\$, an initiative that provides a modest amount of funds to supplement wages of caregivers who hold a credential in early childhood education. In 2000, California, Illinois, and New York enacted similar initiatives.

Rhode Island provides health care coverage to licensed family child care providers and their children. This program covers workers at centers where at least 40% of the children are from low-income families receiving state child care subsidies.

Strengthening Licensing Systems

North Carolina helps parents make choices about child care facilities by assigning facilities “star ratings” based on quality. These quality ratings are an incentive for facilities to improve their rating because higher-rated facilities receive additional state funding. To monitor this star-rated licensing program, North Carolina has added 60 licensing consultants and supervisors.

Kentucky’s created KIDS NOW a tiered rating system for child care centers and family child care homes. Providers that receive public funds and that meet the higher standards receive higher payments from the state. Some child care providers that meet the higher-quality standards also receive one-time cash awards.

Expanded Access to Care

Georgia has invested in a program to help in-home child care providers, many of whom are children’s relatives, improve their facilities and the quality of their programs.

In 2000, 9 states changed their income eligibility guidelines for child care assistance to allow families to continue receiving subsidies as their earnings rise.

In 2000, 16 states raised the rates paid to subsidized child care providers.

State Tax Policies That Benefit Children

State dependent care tax credits are offered on income tax by 22 states and the District of Columbia for child care expenses; four states offer deductions for child care expenses. Maryland offers both. Eight of these states have refundable child care tax credits, enabling even taxpayers who owe no taxes to claim the credit. Maximum benefits range from \$25 in Louisiana to \$1,584 in New York.

Employer tax credits are provided by 25 states to employers who provide or pay for child care for their employees.

State Funding Strategies

TANF funding. States used 11% or \$1.76 billion of their 1999 TANF funds to increase the availability of child care subsidies, according to the National Conference of State Legislatures.

Tobacco taxes and settlement funds. California dedicates \$700 million per year in tobacco taxes to comprehensive early childhood development initiatives.

Lottery proceeds. Thirteen states earmark lottery proceeds for education, including pre-kindergarten. Missouri dedicates funds specifically to early childhood development, education, and care.

Innovative fundraising. In Colorado, taxpayers can check a box on their income tax returns to have state funds directed to child care quality improvements. In Massachusetts, drivers can pay extra for an “Invest in Children” license plate, with some of the proceeds going toward child care quality improvements.

Strategies to Provide Paid Family Leave

Family Medical Leave Act. This act requires employers with 50 or more employees to allow 12 weeks of unpaid leave (with no loss of job status) to qualifying employees to care for a newborn, newly adopted child, or a severely ill dependent. The policy is a mandate on employers with no cost to government. Twelve states have expanded family leave to employers with fewer than 50 employees.

At-Home Infant Care Program. Minnesota is experimenting with a program in which low-income working parents receive subsidies if one parent stays home to care for infants under age one.

Use of Temporary Disability Insurance. California, Hawaii, New Jersey, Rhode Island, and Puerto Rico provide partial paid family leave through Temporary Disability Insurance.

Use of Unemployment Insurance. In 2001, legislators in 13 states introduced bills that would use unemployment insurance to fund leave for new parents.

For further information on what states are doing, contact Helene Stebbins of the National Governors Association at hstebbins@nga.org or (202)624-5300.

Source: Excerpted from Drummond, M., & Seid, R., edited by Kathleen Reich (2001). Caring for infants and toddlers: Issues and Ideas. A guide for journalists and policymakers. Los Altos, CA: David and Lucille Packard Foundation Children Families, and Communities Program. The full report is available at www.futureofchildren.org

Featured Reports

Quality Counts 2002: Building Blocks for Success

Education Week’s latest annual report on the status of American education examines what all 50 states and the District of Columbia are doing to provide early learning experiences for young children; ensure that those experiences are of high quality; prepare and pay early childhood educators adequately; and measure the results of early childhood programs. You can print or order the report at:

<http://www.edweek.org/sreports/qc02/index.html>

Early Childhood Care and Education: What Are States Doing?

Want to know what Wisconsin is doing in early childhood care and education? Read the newly released briefing report which accompanied the 17th Family Impact Seminar held January 16, 2002. Legislators can order a complimentary copy from Mari Hansen at (608)262-0369, or download it at:

<http://www.uwex.edu/ces/familyimpact/fis17.htm>





Family Matters

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Family Matters is a newsletter for state policymakers published by the Wisconsin Family Impact Seminars (WISFIS). WISFIS connects research and policymaking, and examines the impact of policies on families. The seminars provide objective, state-of-the-art information on a range of policy options. WISFIS is a joint effort of University of Wisconsin-Extension and the Center for Excellence in Family Studies in the School of Human Ecology at the University of Wisconsin-Madison.

This newsletter was written by Karla Balling, Bettina Friese, and Karen Bogenschneider. The designer is Meg Wall-Wild.

The director of WISFIS is Professor Karen Bogenschneider and the state coordinator is Karla Balling.

For further information, contact the Family Impact Seminar Office at (608)262-5779, fis@ssc.wisc.edu, or Karen at (608)262-4070, kpbogens@facstaff.wisc.edu. You can access WISFIS briefing reports on the web at:

<http://www.uwex.edu/ces/familyimpact/wisconsin.htm>

Family Matters is on the web at:

<http://www.uwex.edu/ces/familyimpact/newsletters.htm>

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Connecting with UW Faculty

Questions on child care and early education? Contact:

Researcher Gay Eastman

Dr. Eastman is a researcher in the School of Human Ecology and a Child Development and Early Education specialist with the University of Wisconsin-Madison/Extension. She is a co-director and coordinator for the "Community Collaborations for Children: The School Readiness Project," which helps Wisconsin communities develop more effective systems of programs and services so children arrive at school prepared for success. A five-year impact report is available at: www.uwex.edu/ces/flp/ready. Contact Dr. Eastman for information on families and learning, family partnerships with schools, effective parent education, and early literacy at: geastman@facstaff.wisc.edu or (608)262-1115.

Professor Arthur J. Reynolds

Dr. Reynolds is a Professor of Social Work with a joint appointment in Human Development and Family Studies at the University of Wisconsin-Madison. Dr. Reynolds is the director of the Chicago Longitudinal Study. This study has followed 1,539 low-income children who participated in the Chicago Child-Parent Center Program and other government-funded early childhood programs in 25 Chicago public schools. Dr. Reynolds can answer questions regarding children's social adjustment and academic success, early childhood intervention, prevention and evaluation research, and life-course transitions. The success of Reynolds' program was discussed in our last newsletter. Contact Professor Reynolds at: ajreynol@facstaff.wisc.edu or (608)263-1847.

Check Out These Websites

Child Care Aware

<http://www.childcareaware.org>

For constituent questions, this national child care consumer website provides families access to accurate useful information about finding child care, consumer education materials, and local child care resources and referral programs.

Policy Institute for Family Impact Seminars

<http://www.uwex.edu/ces/familyimpact/>

This site includes 40 briefing reports written specifically for state policymakers in 4 states. Wisconsin's briefing reports can be found at: <http://www.uwex.edu/ces/familyimpact/wifis.htm>

The Benefits of Early Childhood Intervention The Abecedarian Project

One of the country's best evaluated early childhood programs for low income families is Ramey's Abecedarian Project. By following the children's progress through age 21, the study found that high-quality, multi-faceted early intervention alters the course of intellectual development in young children. Benefits included higher IQ and cognitive performance; improved language; fewer grade retentions; less need for special education; better reading and math achievement scores; improved levels of formal education; delayed parenthood; and higher rates of post-high school education for teen mothers.

Dr. Craig Ramey, the director of the Abecedarian Project, can be contacted at (202)687-0100 or ctr5@georgetown.edu. For a brief summary of the program's effectiveness, go to: <http://www.uwex.edu/ces/familyimpact/fis14ramey.htm>, or legislators may order a free hard copy from Mari Hansen at cmhansen@facstaff.wisc.edu or (608)262-0369.

Others can purchase briefing report #14 from Extension Publications at (608)262-3346.



How Smart Start Has Transformed Early Childhood Care and Education in North Carolina

Prior to 1993, North Carolina's record on early childhood care and education was ranked as one of the lowest in the nation. This is a far cry from the ratings North Carolina received in Education Week's latest annual report on American education. Smart Start, a statewide, state-local early childhood initiative can be credited, in part, for the high marks North Carolina received for standards, accountability, and improving teacher quality. Research shows that children have benefited from the improvements brought about by Smart Start. Smart Start participants enter school with better language skills and fewer behavior problems. Smart Start has also been credited for its role in creating nearly 50,000 new child care spaces, increasing the quality of child care, improving the credentials of child care providers, and reducing teacher turnover.

Smart Start is based on collaboration and local planning. Local partnerships tackle not only child care and education, but also family support and health services. These comprehensive services help Smart Start meet its goal—children entering school healthy and ready to succeed.

Smart Start is required annually to raise \$1 in cash and in-kind contributions for every \$10 in state funds. Smart Start has continually exceeded this 10% requirement. Overall, Smart Start's private contributions include \$70 million and more than 1 million volunteer hours.

Smart Start's unique approach has earned the 1998 Innovations in American Government Award from the Ford Foundation and Harvard's John F. Kennedy School of Government, as well as the 1999 Innovations in Government Award from the Council of State Governments.

Karen Ponder is the Executive Director of the North Carolina Partnership for Children, Smart Start. For further information, contact her at kponder@smartstart-nc.org or (919)821-7999.