The Need for Universal Preschool in the Wake of Welfare Reform:

An Examination of How to Alleviate the Child Care Crisis in Los Angeles County

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"The moral test of government is how it treats those who are in the dawn of life, the children; those who are in the twilight of life, the aged; and those who are in the shadows of life, the sick, the needy, and the handicapped."

- Hubert Humphrey, last Presidential speech, November 1, 1977

Introduction

In 2002, the Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA), better known as the welfare reform legislation which changed Assistance to Families with Dependent Children (AFDC) to Temporary Assistance to Needy Families (TANF), was up for reauthorization by Congress. At that time, there were numerous attempts to examine whether welfare reform, which had been implemented in 1996, could be considered a success or failure.

Almost a year later, PRWORA has yet to be reauthorized, originally due to a lack of consensus in Congress about whether to renew the legislation or reform it, and now due to a national attention shift away from domestic policy. In the meantime, welfare roles have declined by over 50% (there was a 52% decrease in the number of families on welfare and a 57% decrease in the number of persons on welfare) between 1996 and 2001. While these numbers have been used to support the legislation's success, they are tainted when juxtaposed next to the reality that the poverty rate has simultaneously declined by a mere 13% and most recipients are leaving welfare due to sanctions and time limits, not due to a successful transition into the workforce.[1] Thus, it is important to identify the outcomes of welfare reform, and specifically the impacts that these reforms have had on women and children, to truly decipher whether the legislation can be labeled a success or failure.

[1] United States Department of Health and Human Services. "Census Bureau's Poverty Statistics Makes The Case For Passing Welfare Reauthorization Legislation." *HHS News* 24 Sept. 2002. Available at http://www.acf.hhs.gov/news/press/2002/release_924.html; Erlenbusch, Bob. "Welfare Five Years Later: Results." *Coalition to End Hunger and Homelessness Survey* Aug. 2001; "CalWORKs Report on Discontinuance of Cash Grant for January 2001." June 2001. From the *Coalition to End Hunger and Homelessness*'s "California After Welfare Reform."

One component of the new welfare system that can be labeled a failure is the system's incompatible work requirements and work supports. Recipients cite multiple barriers that keep them from being able to transition from welfare to work, ranging from a lack of transportation to a lack of basic skills. The lack of child care, however, has been cited as the largest barrier impeding recipients from attaining or holding a job – in a recent study, over 60% of current and former recipients reported inadequate child care as their greatest problem.[2]

As this report will illustrate, there is ample evidence that current welfare-to-work programs cannot be truly effective without a dramatic increase in child care. When Congress passed federal welfare reform in 1996, it was acknowledged that any policy meant to encourage low-income families to become self-sufficient also needed to address the barriers recipients would face when making the transition from welfare to work. However, while it may seem fairly obvious now that not having child care is a huge hindrance to single mothers being able to enter the workforce, AFDC (now TANF), originally created by the New Deal's 1935 Economic Security Act, was designed at a time when it was merely the assumption that the recipients (predominantly widowed or divorced women) would not be in the workforce but in the home, taking care of their children. Hence, a program whose recipients were not expected to work has been transformed into a program for individuals who are now expected (and required) to work. Unfortunately, while this transformation of a woman's role in the economy has occurred, there have been few advances in making child care available to working women. This is extremely problematic considering that in 1996, about 60 percent of mothers with children below the age of six, and 75 percent of mothers with children between the ages

[2] Available at http://www.urban.org/news/events/npc/myth.html

of six and seventeen, worked outside the home.[3] And, since 1996, welfare reform has further increased the number of working mothers in America. In 2001, over 70 percent of women with children between the ages of three and five were in the workforce.[4]

A government commitment to subsidized, universal childcare would be the first major attempt to bridge this historical disconnect. First, it would make it easier for women to find and keep jobs, which is the explicit goal of welfare reform. Second, universal childcare would provide greatly needed improvements in child development and early education. Specifically it has the ability to standardize and expand care, which would help put children in low- and middle-income families (who currently receive no or limited care) on a more equal footing with the children of more affluent households who do receive early care. Correspondingly, it would have the ability to alleviate the cycle of poverty and systemic unequal education that currently exists in America.

Additionally, it would ensure that the effort to increase care also takes into account the quality of the care that is delivered. Currently under PRWORA, states have to spend 4 percent of their Child Care Development Block Grant (CCDBG) funds on improving both the quality and supply of care.[5] However, the CCDBG – which is housed under welfare legislation - places a much higher priority on supporting work than on supporting access to good quality care, probably because the thrust of welfare reform is to move women from welfare to work, not to improve the lives of welfare children. In contrast, a separate system of universal childcare would have a focus on children, with

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[3] Ganow, Michelle. "Child Care Subsidies: Strategies to Provide Outreach to Eligible Families." *Welfare Information Network Issue Note* 4.10 (Sept 2000).
[4] Committee for Economic Development. "Bridging Gaps: Linking Pre-Kindergarten and Child Care." *CDE in Brief*. Available at http://www.ced.org/newsroom/inbrief/brief_preschool.pdf
[5] Adams, Gina and Monica Rohacek. "Child Care and Welfare Reform." *Welfare Reform and Beyond. Brookings Institute, Policy Brief* 14 (Feb 2002).

the added benefit of simultaneously providing a much needed work support program for parents.

Finally, universal childcare would be beneficial for the overall health of the economy, since it would create jobs, enable more women to focus their attention on becoming productive members of the (paid) workforce, and prepare children of welfare recipients and children from low- and middle-income households to be more productive members of the workforce and society in general. Recent longitudinal studies conducted by the Perry Preschool, the Carolina Abecedarian Project, and the RAND Institute show that each dollar invested in child care programs saves an average of $7 in the long run, because children in child care are more likely to attend college and be employed and less likely to be school dropouts, dependent on welfare, or arrested for criminal activity than those who were not provided with adequate childcare.[6]

While this research originally revolved around developing proposals that would reduce work requirements and devote more funds to child care through TANF and the CCDBG, it became evident in the course of the research that these are both politically unlikely and insufficient ways to address the child care crisis in this nation. For one, the Department of Health and Human Services estimates that existing child care funds (from TANF and the CCDBG) provide enough money to serve only 12 percent of all eligible low-income children.[7] At the same time, it has been estimated by the Congressional Budget Office and the Center for Law and Social Policy that to keep up with TANF's 40 hour work requirement, increases in child care funding would have to be as high as $6

[6] Los Angeles County Children and Families First – Proposition 10 Commission. "Universal Access to Preschool Including Early Care and Education Plan Framework." Appendix A. 6 Sept. 2002.
[7] Haskins, Ron, Isabel Sawhill, and Kent Weaver. "Welfare Reform Reauthorization: An Overview of Problems and Issues." *The Brookings Institute Policy Brief* 2 (Jan 2002).

billion and $8 billion, respectively.[8] Unfortunately, the only bill to get through the House of Representatives in 2002 provided a mere $1 billion increase in child care funds. Since this occurred in peace time, with a more Democratic Congress than is now in power, an adequate allocation of child care funding is even less likely to occur in today's political climate.

Thus, if the goal of welfare reform, and specifically the welfare-to-work component, is to improve the lives of American women and children, it cannot succeed without an established, separate system of universal childcare. However, the only way to effectively legitimize a system of universal childcare is to develop it as a system of universal *preschool*, which will frame the industry as an extension of the public school system rather than as an expanded babysitting service.

Though this may at first seem like an even loftier goal than increasing TANF funding or the CCDBG, this research will illustrate how the development of a system of universal preschool is indeed feasible. However, since the federal government is nowhere near formulating a way to establish universal preschool, the proposals in this paper will focus on building a localized county model that can be used immediately to help a specific population of in-need women and children, and in the future to build credibility for a larger, national movement advocating universal preschool.

Thus, this paper will specifically focus on the need for, and ways to develop and support, a system of universal preschool in Los Angeles County. Los Angeles is an ideal setting for a model case-study since it is the nation's poverty capital with the largest

[8] Schumacher, Rachel, Jennifer Mezey, and Mark Greenberg. "The Vast Majority of Federally-Eligible Children Did Not Receive Child Care assistance in FY2000." *Center for Law and Social Policy* 4 June 2002: 9.

number of poor people of any metropolitan area.[9] In addition, the county is larger than 41 states and it has more welfare caseloads than any other *state* other than New York and California itself.[10] Furthermore, within Los Angeles, 2 out of 3 adult recipients of public assistance are women and the average family that receives welfare consists of a single mother with 2 children.[11] Perhaps most significant, though, is the fact that Los Angeles is in the planning stages of a universal preschool initiative being lead and primarily funded by a new player in the early education arena, the First Five Commission.[12]

Thus, while the county provides a challenging testing ground due to its extremely high level of poverty, ethnic diversity, and its overwhelming size, it also proves to be a feasible testing ground since universal preschool is already on the county's agenda with approximately a hundred million dollars available in start-up funds. Additionally, it could be argued that if a program can work in Los Angeles, with all of its complexities, then a program should be able to be applied easily to other counties and/or states with fewer complexities.

In sum, this research will aim to evaluate the need for universal preschool in the context of welfare reform, determine what Los Angeles County's initiative needs in order to succeed, and specifically identify the ways in which a model child care resource center could be best developed to support the initiative. Ideally, such a center will both seek to improve the lives of local Los Angeles women and children while also serving as a model to alleviate the childcare crisis that plagues all of America.

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[9] United Way Foundation. "A Tale of Two Cities." *Executive Summary of State of the County Report: Los Angeles County* 1999.

[10] Freedman, Stephen, Jean Tansey Knab, Lisa Gennetian, David Navarro. "The Los Angeles Jobs-First GAIN Evaluation: Final Report on a Work First Program in a Mojor Urban Center." *Manpower Demonstration Research Corporation* June 2000: 4.

[11] "Just the Facts: Welfare." Available at http://www.equalrights.org/welfare/stats.html

[12] See page 36 for an explanation of the First Five Commission.

Setting the Context

The research for this report has three objectives: to analyze how welfare reform can be made more effective; to evaluate the universal preschool initiative as a way to improve the child care crisis; and to develop recommendations on how to support the universal preschool initiative's success. In order to understand why and how universal preschool can serve as a tool to help reform the welfare system, it is important to understand the intricacies of that system on the federal, state, and local levels. Additionally, it is crucial to understand the extent of what has been labeled the "childcare crisis." Thus, the need for universal preschool can best be placed in context by first analyzing the nature and outcomes of welfare reform, as well as its potential outcomes, and then by focusing on the current state of child care at the national, state and local levels.

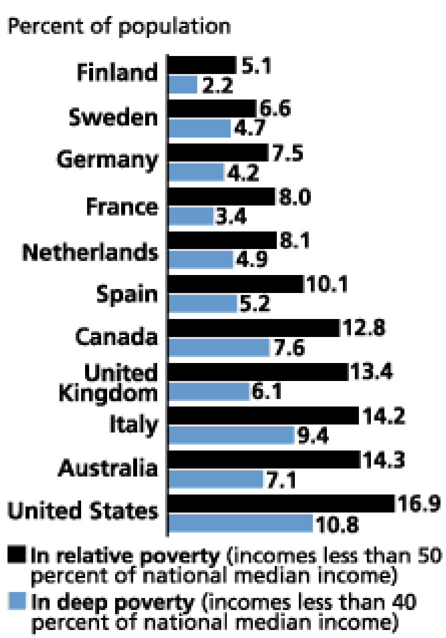
Chapter 1: Federal Welfare Reform and Its Limits

The passage of the 1996 PRWORA made huge changes in welfare policy, including replacing AFDC cash assistance with the TANF program. Broadly, this change made assistance temporary through a five year time limit on federal benefits, changed state funding to a block grant, increased state flexibility, and greatly enhanced the emphasis on work.[13]

Program Environment

The United States has the highest level of income inequality of any industrialized nation in the world. In 1995, the richest 20 percent of American households owned 84 percent of the nation's wealth.[14]

Relative Poverty in Selected Industrialized Countries, 1990s



[15]

[13] Loprest, Pamela and Douglas Wissoker. "Employment and Welfare Reform in the National Survey of America's Families." *The Urban Institute* 1 March 2002. Available at http://www.urban.org/urlprint.cfm?ID=7641

[14] Lichter, Daniel and Martha Crowley. "Poverty in America: Beyond Welfare Reform." *Population Reference Bureau* June 2002: 15.

In 2000, a single mother with two children (the average welfare recipient) needed only $13,874 to avoid being counted as poor, while the median income for U.S. families was $50,891.[16] In the same year, according to the U.S. Office of Management and Budget, only 2.1 percent of the population received cash assistance through TANF (5.7 million people), but 11.3 percent of the population was officially poor (31.1 million people).[17] Half of America's poor population is made up of children and the elderly (11.6 million children; 3.4 million people 65 or older). Fifty-seven percent of the poor population is female, just as it was in the mid-1960s.[18] Between January 2001 and February 2002, the unemployment rate of women who maintain families went up from 6.4 percent to 8 percent, and it has been continuing to rise since then.[19]

Basic Funding

The TANF block grant was established in 1996 as a fixed sum of $16.5 billion annually through fiscal year 2002 (when it was supposed to be reauthorized or revamped). This funding structure, which gives states block grants rather than matching funds (as it did under AFDC) means that states must pay for the full cost of each additional welfare recipient, not just half (or less) as they did with the matching funds.[20] The share apportioned to individual states is based on the states' historical allocation of

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[15] Luxemborg Income Study. "Key Figures: Relative Poverty Rates" Available at www.lisproject.org/ keyfigures/povertytable.htm.

[16] Lichter, Daniel and Martha Crowley. "Poverty in America: Beyond Welfare Reform." *Population Reference Bureau* June 2002: 5.
[17] Ibid. 4-7.
[18] Ibid. 6.
[19] Institute for Women's Policy Research. "Unemployment Watch: How Are Women and Families Faring in the Recession?" *Institute for Women's Policy Research Quarterly* Winter/Spring 2002.
[20] "Short Takes on Welfare Policy: Do we need a stronger welfare policy for a weaker economy?" *Urban Institute* May 2002.

federal AFDC funds. There is also a provision that allocates additional funds to states that have high levels of poverty and high growth rates, However, this expired in 2001 and must be reauthorized or will no longer exist.

Additionally, there are "incentive funds" that are allocated when states lower their welfare caseloads by reducing the 50 percent work participation rate by one percentage point relative to the caseload in 1996.[21] In other words, the states are encouraged to move recipients off of the caseload in order to lower their requirements for work participation.

Time Limits and Sanctions

The federal law puts a five-year time limit on recipients. However, states have some flexibility to provide federally financed benefits beyond the limit for up to 20 percent of their caseload and can use their own funds for families that have passed the time limit. Nevertheless, states do not have to do so, and most likely would not have any additional funds to pursue that approach.

In addition to time limits, sanctions are now used, meaning that cash welfare and other benefits can be entirely cut off from a family if it fails to meet all of the requirements.[22] This seems like a reasonable rule on the surface. However analyzing the types of efforts it actually takes to meet all requirements under PRWORA reveals that it is much harder in reality than in theory to meet all of the requirements. Sanctions are imposed for a variety of reasons and recent research shows that recipients are much more likely to be sanctioned for administrative reasons or employment barriers than for a refusal to work. For instance, recipients can be sanctioned for failing to appropriately

[21] Brock, Thomas, Laura Nelson, and Megan Reiter. "Readying Welfare Recipients for Work: Lessons from Four Big Cities as They Implement Welfare Reform." *Manpower Demonstration Research Corporation* March 2002.
[22] Haskins, Ron, Isabel Sawhill, and Kent Weaver. "Welfare Reform Reauthorization: An Overview of Problems and Issues." *The Brookings Institute Policy Brief* 2 (Jan. 2001).

document their participation, which can take the form of a missed appointment or paperwork that has been filled out incorrectly or that was submitted late.

Exemptions

The only specific exemption from work participation requirements under the federal law is the lack of available childcare for a single custodial parent with a child under the age of 6. However, the protection is rather problematic for several reasons. For one, the federal statute and regulations leave key terms such as "unavailable," "unsuitable," "appropriate," "reasonable," and "affordable" undefined, leaving a huge amount of discretion to caseworkers. Additionally, a parent must prove that child care is unavailable, yet the federal law does not explain how to go about doing this. Thus, even if a parent knows about this protection, the reality is that she would not have any help or guidance to know how to utilize it. Even if the parent did somehow manage to utilize it, the provision would only protect her from sanctions; it neither guarantees her child care nor affects her TANF time limit.[23]

Federal law allows states to exempt from the calculation of participation rates single parents with a child under 1 year old. Additionally, states and counties are allowed to define their own "good cause" exemptions (for things such as domestic violence). However, overall, the range of exemptions is much narrower under TANF than it was under AFDC.[24]

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[23] Gong, Jo Ann, Alice Bussiere, Jennifer Light, Rebecca Scharf, Marc Cohan, and Shrry Leiwant. "Child Care in the Postwelfare Reform Era: Analysis and Strategies for Advocates." *Clearinghouse Review* Jan-Feb. 1999: 3.

[24] Brock, Thomas, Laura nelson, and Megan Reiter. "Readying Welfare Recipients for Work: Lessons from Four Big Cities as They Implement Welfare Reform." *Manpower Demonstration Research Corporation:* 18.

Child Care

The 1996 reforms created a child care block grant with about $4.5 billion more available for care (for the 1997-2002 period) than there was under AFDC. In addition to this funding, states are allowed to use money from their TANF block grants to pay for childcare. However, less than half of families that have left TANF use child care, yet states have used up all of their federal and state dollars in the Child Care Development Block Grant and have used about $3 billion of their TANF funds for childcare (which makes TANF the primary source of federal childcare spending). The Department of Health and Human Services estimates that the existing child care funds provide enough money to serve only 12 percent of all eligible low-income children. [25]

In addition to combining previous programs into the CCDBG, the reforms eliminated a federal legal guarantee to childcare and increased state discretion for such items as determining priority groups for subsidies and setting minimum income levels for families. All funds, whether from TANF or the CCDBG, focus primarily on supporting work among low-income parents, and less on ensuring that parents are able to access quality care that supports their children's development.[26] Regulating the quality of care is left entirely to the states and localities, without any specific commitment to improving the quality of child care at the federal level. [27] This is alarming considering 70% of licensed

[25] Haskins, Ron, Isabel Sawhill, and Kent Weaver. "Welfare Reform Reauthorization: An Overview of Problems and Issues." *The Brookings Institute Policy Brief* 2 (Jan. 2002).
[26] Adams, Gina and Monica Rohacek. "Child Care and Welfare Reform." *The Brookings Institute Policy Brief* 14 (Feb. 2002).
[27] Haskins, Ron, Isabel Sawhill, and Kent Weaver. "Welfare Reform Reauthorization: An Overview of Problems and Issues." *The Brookings Institute Policy Brief* 2 (Jan. 2002).

child care, nationwide is considered mediocre or worse, and 40% of it is considered to actually be detrimental to the development of children.[28]

Work Requirements

After 24 months of receiving TANF families are required to work in exchange for benefits. Within a year of enacting TANF, states were expected to achieve work rates considerably higher than those under AFDC job programs.[29] The original goal of TANF was to have an increasing percentage of its caseload actively involved in work programs for 25 to 30 hours a week, where the recipients would work on developing their skills.[30] However, most states have not developed such work programs because their caseloads are dropping due to time limits, sanctions and putting recipients directly into jobs through a "work-first" model. Most jobs that recipients are filtered into are low-skilled, low-wage, and have very little chance of providing social mobility – or, in this case, an escape from poverty.

Under the current Administration's bill, work requirements would be increased from 32 to 40 hours a week. PRWORA allows states to set their own work exemption criteria, but discourages states from making the criteria too broad. The only cases that may be automatically exempt are those in which the youngest child is under the age of one or child-only cases.[31] There are twelve "allowable work activities" under TANF;

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[28] Lowe-Vandell, Deborah and Barbara Wolfe. "Child Care Quality: Does it Matter and Does it Need to be Improved?" *Institute for Research on Poverty, University of Wisconsin–Madison* 24 May 2000. Available at http://aspe.hhs.gov/hsp/ccquality00/ccqual.htm#quality

[29] Pavetti, LaDonna. "Against the Odds: Steady Employment Among Low-Skilled Women." *The Urban Institute* 1 July 1997.

[30] Haskins, Ron, Isabel Sawhill, and Kent Weaver. "Welfare Reform Reauthorization: An Overview of Problems and Issues." *The Brookings Institute Policy Brief* 2 (Jan. 2002).

[31] Brock, Thomas, Laura nelson, and Megan Reiter. "Readying Welfare Recipients for Work: Lessons from Four Big Cities as They Implement Welfare Reform." *Manpower Demonstration Research Corporation*: 11.

most involve actual work rather than preparation for work in school or other educational settings.

Welfare Reform in California

The *Welfare to Work Act of 1997* established welfare reform in California. Known as California Work Opportunity and Responsibility to Kids (CalWORKs), this program went into effect on January 1, 1998. It assures that welfare is only a temporary support in times of crisis, promotes a "work-first" approach by maintaining strict requirements, and attempts to give counties significant flexibility in order to meet the different demands of recipients. [32]

Program Environment

As of December 2001, there were 548, 266 families on TANF (1, 497, 049 actual people receiving benefits). Between 1996 and 2001 there was a 39 percent decline in caseloads. In January of this year, 100,000 more recipients timed off of welfare.[33]

Funding

California receives an annual TANF block grant of $3.7 billion from the US Department of Health and Human Services, which must be spent on specific services for specific populations. Combined with state and county funds, California has about $6 billion available for cash assistance, child care, employment services, and other related programs. In order for states to continue to receive funds, they must meet a spending requirement called the maintenance of effort (MOE), which is equivalent to an amount

[32] California Department of Social Services. " Cal WORKS Third Annual Report to Congress on TANF." August 2000. From the *Coalition to End Hunger and Homelessness*'s "California After Welfare Reform.
[33] California Department of Social Services. "CalWORKS Cash Grant Caseload Movement and Expenditures Report for January 2001." June 2001. From the *Coalition to End Hunger and Homelessness's* "California After Welfare Reform."

that the state spent in the mid-1990s. California has typically met its spending requirement of $2.7 billion a year.[34] Generally, about half of the combined CalWORKs funds and TANF funds go toward cash assistance and about a third of CAlWORKs and TANF funds go to child care and employment services. [35]

[34] Caroll, David. “TANF and CalWORKs: How California Spends the Money” *The California Budget Project* Aug. 2001.
[35] Ibid.

Eligibility

Who May Be Eligible for CalWORKs Assistance?

	Potentially Eligible?[1]
Caretaker adults living with related children under 19	Yes
Undocumented immigrants, adults or children	No
US-born children of undocumented parents	Yes
Legal permanent residents[2]	Yes
Fleeing felons, drug felons	No
Children living with an adult felon	Yes
Adults who have had five years of welfare assistance starting 1/1/98	No
Children living with an adult who had been assisted for more than five years starting 1/1/98	Yes
Adults who refuse to comply with CalWORKs work requirements[3]	No
Children of non-compliant adults	Yes

Source: AB1542, 1997; County of Los Angeles, Department of Public Social Services

[1] Families can only be eligible if their income is sufficiently low and the value of family assets such as savings accounts, real estate, and automobiles fall under specific thresholds. Many families ineligible for CalWORKs assistance could be eligible for general assistance, food stamps, and/or Medi-Cal. Note that parents under age 18 who are living independently and who have not finished high school will be enrolled in the CalLEARN program.

[2] Not eligible for some other forms of federal aid.

[3] Excluding those who are not required to participate in welfare-to-work activities because of old age, presence of a child under one year old, etc.

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[36] Los Angeles Department of Social Services, Urban Research Division. "Monitoring the Implementation of CalWORKs: Welfare Reform and Welfare Service Provision in Los Angeles County, 1998: Evaluating CalWORKs in Los Angeles County." 1998. 26. Available at http://www.ladpss.org/dpss/urd/evaluating_calworks_rpt1.cfm

Time Limits

There is a five year cumulative lifetime limit on aid. New applicants receive aid for 18 months, but counties have the option to extend aid for an additional 6 months. Current applicants receive aid for 24 months. If either type of recipient is not employed at the end of their limit, they are placed in community service jobs, which are not required to pay a minimum wage. Counties can choose to continue to provide the children of adults who reach their time limit with vouchers or cash benefits. [37] There can be cases exempted from time limits, such as recipients of advanced age, those with medically verified disability, non-parent caretakers, caretakers of ill/incapacitated household member, and those eligible for Cal Learn.[38]

Sanctions

California has a relatively lenient sanction policy in comparison to most states. A sanctioned recipient's benefit is reduced by only the adult portion of the grant; the adult can continue to collect the child(ren)'s share. [39] However, 45.9 percent of those who left welfare in January of 2001 did so because they were sanctioned for being noncompliant.[40]

Additionally, sanctions occur between the State and recipients; California can be sanctioned by the federal government reducing its block grant if it does not meet the 50 percent work participation requirement. This provides states with a large incentive to have a strict "work-first" focus.

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[37] California Department of Social Services. Fact Sheet: Time Limits and Exemptions. http://www.dss.cahwnet.gov/calworks/timelimi.html
[38] Ibid.
[39] Montgomery, Deborah, laura kaye, Rob Geen, and Karen Martinson. "Recent Changes in California Welfare and Work, Child Care, and Child Welfare Systems." *The Urban Institute State Update* 11 (May 2002).
[40] "CalWORKs Report on Discontinuance of Cash Grant for January 2001." June 2001. From the *Coalition to End Hunger and Homelessness*'s "California After Welfare Reform.

Work Requirements

All adults must accept any legal job unless exempted. As of 1999, a single parent must work 32 hours a week and one recipient of a two-parent family must work 35 hours a week. [41] A recipient is exempt from the 18 or 24 month time limit and from the 60 month time limit if they are caring for a child under 3 to 12 months of age (based on county discretion), disabled, older than 60 years of age, caring for an ill or disabled family member, or a non-parent caretaker.[42] Additionally, there is an open-ended temporary exemption for "good cause" (such as domestic violence). The precise definition of work is defined by the state.[43]

Child Care

California has established the most complex childcare system of any state. Recipients participating in welfare to work activities receive subsidized child care with payments made directly to child care providers. There are three stages of the child care system. The first stage is designed to provide families with immediate, short-term child care to start work or work activities. It is run by county welfare departments. Stage two is administered by the California Department of Education (CDE) and is designed for families whose work or work activities have stabilized or for families who are ready to transition off aid. Stage three is also administered by CDE and begins when funded spaces are available for current or former CalWORKs recipients and for families

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[41] Geen, Rob, Wendy Zimmermann, Toby Douglas, Sheila Zedlewski, and Shelley Waters. "Income Support and Social Services for Low-Income People in California." *The Urban Institute State Report* June 1998.

[42] Montogomery, Deborah, Laura Kaye, Rob Geen, and Karin Martinson. "Recent Changes in California Welfare and Work, Child Care, and Child Welfare Systems. *The Urban Institute State Update* 11 (May 2002).

[43] Brock, Thomas, Laura nelson, and Megan Reiter. "Readying Welfare Recipients for Work: Lessons from Four Big Cities as They Implement Welfare Reform." *Manpower Demonstration Research Corporation*: 18.

receiving "diversion" services (for example, up-front one-time cash payments).[44] However, with the current budget deficit, Governor Davis has proposed entirely cutting out stage three, and has suggested making some cuts in stage two. [45]

Child care during job searches is available to households with children up to 12 years of age for up to 6 months. Child care while the recipient is on TANF is available to children up to 12 years of age. Childcare after leaving TANF is available to recipients with children up to 12 years of age for up to 24 months after becoming ineligible for CalWORKs.[46]

Currently, only 19 percent of California's children on welfare receive child care subsidies[47] and this number is bound to decrease in the next few years due to California's poor financial situation.

Welfare Reform in Los Angeles County

In Los Angeles, CalWORKs is administered by the Department of Public Social Services (DPSS), which also oversees the Medi-Cal, Food Stamps, and General Relief programs. The CalWORKs eligibility and CalWORKs welfare-to-work services are delivered through two interrelated structures within the DPSS: the 24 main CalWORKs district offices responsible for eligibility and the seven regional Jobs-First GAIN (Greater

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[44] California Department of Social Services. "Fact Sheet: CalWORKs Child Care and Development." http://www.dss.cahwnet.gov/calworks/childcare.html

[45] Ansell, Phil. Chief of Gevernmental and Interagency Relations. "The Child Care Budget." County of LA Policy Roundtable for Child Care and County of LA Child Care Planning Committee Conference, 6 Feb. 2003; Dora Lopez. Staff Attorney, San Fernando Valley Neighborhood Legal Services. Personal Interview, 11 June 2002.

[46] Brock, Thomas, Laura Nelson, and Megan Reiter. "Readying Welfare Recipients for Work: Lessons from Four Big Cities as They Implement Welfare Reform." *Manpower Demonstration Research Corporation*.

[47] California Department of Education. "CalWORKs Caseload Report for Alternative Payment Programs." January 2001. From *Coalition to End Hunger and Homelessness'*s "California After Welfare Reform."

Avenues to Independence) offices that administer employment related services.[48] Los Angeles has typically not used contracted vendors as many other counties do. However starting in 2000, Jobs-First GAIN services were contracted out to Maximus and ACS State and Local Solutions.

Program Environment

As of December 2001, Los Angeles had 213, 924 families (604, 339 parents and children) receiving TANF benefits. Between 1996 and 2001 there was a 31 percent decline in caseload and in January of this year 28, 000 more recipients timed off of welfare.[49] In addition to the challenge of the size and diversity of the Los Angeles caseload, which includes recipients who speak many different languages, there is the problem of the spatial locations of these recipients, who are spread out across 4,000 square miles of the county.

Funding

Counties receive state and federal funds to pay for 97.5 percent of the cost for cash assistance for recipient families. Counties pay 2.5 percent of grant costs. CalWORKs has a "performance incentive system" that rewards counties for reducing caseloads (due to employment). TANF grants to individual recipients are set by states, not counties, but vary by the cost of living in each county. In Los Angeles, the monthly

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[48] Montogomery, Deborah, Laura Kaye, Rob Geen, and Karin Martinson. "Recent Changes in California Welfare and Work, Child Care, and Child Welfare Systems. *The Urban Institute State Update* 11 (May 2002).
[49] Department of Social Services. "CalWORKs Persons Aided." August 2001. From the *Coalition for to End Hunger and Homelessness'*s "Los Angeles After Welfare Reform."

earnings cut off (the point where TANF is reduced to $0) for a family of three is $1,477. The maximum monthly grant that a family of three can get is $625.[50]

Exemptions

Exemptions from CalWORKs Welfare-to-Work Requirements

May Be Exempt from Welfare-to-Work Requirements if …	… But …
Under Age 16	(Always Exempt)
Ages 16 through 18, living with parents	Must be in school full time
Age 60 and over	(Always Exempt)
Pregnant	Must be medically unable to work
Primary caretaker of child under 1 year old	This exemption only allowed once
Primary caretaker of child under 6 months old	(Always Exempt)
Primary caretaker of ill family member	Need for care must be certified
Incapacity	Must be medically unable to work
Part of an experimental control group	Must have been randomly selected for study
Supportive services unavailable	Child care or transportation must be unavailable

Source: AB1542, 1997; County of Los Angeles, Department of Public Social Services

Note: Exemptions may be temporary or permanent.

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[50] Brock, Thomas, Laura Nelson, and Megan Reiter. “Readying Welfare Recipients for Work: Lessons from Four Big Cities as They Implement Welfare Reform.” *Manpower Demonstration Research Corporation*.
[51] CalWORKs Evaluation Team. “Evaluating CalWORKs in LA County.” August 1999. Available at http://dpss.co.la.co.us

Sanctions

Since 1996, approximately 30 percent of single parents and a quarter of adults in two-parent families have incurred a sanction (dropping the recipient from the grant) for noncompliance.[52] Of those who left TANF in January of 2001, 54.5 percent did so because they were found to be noncompliant.[53]

Jobs-First GAIN

Jobs-First GAIN is the largest welfare-to-work program in the nation.[54] The main services currently provided through Jobs-First GAIN are orientation/appraisal, job club, assessment, and supportive services – a clear shift away from the program's original emphasis on education and training activities. [55] Whereas other program staffs use most of their time in orientation sessions to collect background information on the new recipient and assign them to their first employment related activity, Jobs-First GAIN staff devote most of the orientation to communicating a work-first message to new recipients and to increasing their self-esteem in regard to their ability to find work. Jobs-First GAIN offers short-term basic education and vocational training classes, but assigns very few recipients to these activities. [56] One reason for this may lie in the fact that the work-first program's net cost falls well below that of Los Angeles's earlier education-focused

[52] Freedman, Stephen, Jean Tansey Knab, Lisa Gennetian, and David Navarro. "The Los Angeles Jobs-First GAIN Evaluation: Final Report on a Work First program in a Major Urban Center. *The Manpower Demonstration Research Corporation* June 2000: 9.
[53] CalWORKs Report on Discontinuances of Cash Grant for January 2001. June 2001. From *The Coalition to End Hunger and Homelessness'*s "Los Angeles After Welfare Reform."
[54] Freedman, Stephen, Jean Tansey Knab, Lisa Gennetian, and David Navarro. "The Los Angeles Jobs-First GAIN Evaluation: Final Report on a Work First program in a Major Urban Center. *The Manpower Demonstration Research Corporation* June 2000.
[55] Montogomery, Deborah, Laura Kaye, Rob Geen, and Karin Martinson. "Recent Changes in California Welfare and Work, Child Care, and Child Welfare Systems. *The Urban Institute State Update* 11 (May 2002).
[56] Freedman, Stephen, Jean Tansey Knab, Lisa Gennetian, and David Navarro. "The Los Angeles Jobs-First GAIN Evaluation: Final Report on a Work First program in a Major Urban Center. *The Manpower Demonstration Research Corporation* June 2000: 7.

programs.[57] On the whole, Jobs-First GAIN will lead to substantial short-term savings for the government budget.[58]

Work Requirements

Los Angeles follows a strict "work-first" model that requires recipients to begin participation in an approved work activity immediately. DPSS administrators are willing to clearly state that the goal of Jobs-First GAIN is to "move people into employment as rapidly as possible."[59] Los Angeles requires the maximum participation requirement of 32 hours per week for a single parent family.[60] Those not already working or in an approved education program are referred to a three week job club where they undergo a vocational assessment, skill training, and start their work-trigger "clock." If a participant does not find work by the time she reaches her work-trigger time limit (around three weeks), she is assigned a community service job.

The majority of case managers report that both initial and subsequent program assignments are based on state or county rules, leaving little room for staff judgment. Case managers generally approve education and training programs in which clients enrolled *before* being called in to the county's welfare-to-work program as long as the education or training appears to lead directly to employment. These activities are known as Self-Initiated Programs. However, more than 80 percent of case managers interviewed

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[57] Freedman, Stephen, Jean Tansey Knab, Lisa Gennetian, and David Navarro. "The Los Angeles Jobs-First GAIN Evaluation: Final Report on a Work First program in a Major Urban Center. *The Manpower Demonstration Research Corporation* June 2000: 19.
[58] From the perspective of the government budget, a welfare-to-work program is cost effective if the value of increases in tax revenues and saving in welfare and administrative costs exceeds the net cost of providing employment services.
[59] Freedman, Stephen, Jean Tansey Knab, Lisa Gennetian, and David Navarro. "The Los Angeles Jobs-First GAIN Evaluation: Final Report on a Work First program in a Major Urban Center. *The Manpower Demonstration Research Corporation* June 2000: 7.
[60] Brock, Thomas, Laura nelson, and Megan Reiter. "Readying Welfare Recipients for Work: Lessons from Four Big Cities as They Implement Welfare Reform." *Manpower Demonstration Research Corporation*: 19.

(in a MDRC study) expressed frustration over the fact that the first activity recipients are filtered into is strictly determined by agency rules. For instance, if a recipient says that she wants to attend school to be able to get a better job, the case manager is instructed to say that "GAIN is a work-first program [and] any job is better than no job."[61] In a study of four counties across the nation, Los Angeles had the most "rule-bound" program, recommending job club in a wider range of circumstances that did case managers in other counties.[62] In the same study, the administrators who were interviewed voiced much more confidence in the rapid-employment, work-first approach than did the case managers (the ones that actually interact with the recipients), who were less certain about the approach's effectiveness.[63]

Another concern revolves around the fact that the low-wage sector of Los Angeles's economy has become increasingly prominent over the past two decades, making movement from plentiful low-wage jobs to scarce living wage jobs challenging for Jobs-First GAIN participants.[64]

Effects of Jobs-First GAIN

A 1999 evaluation of the Jobs-First GAIN program showed that, as expected, there was a substantial initial increase in recipient's employment and earnings. However, while recipients were replacing welfare dollars with earnings, their overall income remained about the same. Some reasons for this are that earnings gains were matched by reductions in TANF and Food Stamp payments and there was in increased need for

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[61] Brock, Thomas, Laura nelson, and Megan Reiter. "Readying Welfare Recipients for Work: Lessons from Four Big Cities as They Implement Welfare Reform." *Manpower Demonstration Research Corporation*: 67.

[63] Ibid. 70.
[64] CalWORKs Evaluation Team. "Evaluating CalWORKs in LA County." Aug. 1999. Available at http://dpss.co.la.co.us

supportive services, such as child care, which can quickly deplete ones earnings. Nearly all recipients in a 2000 Jobs-First GAIN evaluation study who used paid child care covered the expenses out of pocket rather than reporting expenses to DPSS for reimbursements or for government subsidies due to lack of knowledge of the services or complications with the bureaucracy.[65]

Child Care

Counties are responsible for administering child care subsidy programs for current and former TANF recipients, but most major aspects of the programs, such as eligibility requirements, payment levels, and licensing standards are set at the state and federal level.[66] While Jobs-First GAIN increased the use of child care dramatically, very few recipients report using subsidized care or receiving transitional care benefits.[67] Currently, only 13 percent of children on welfare receive some form of subsidized child care. [68]

Both staff and recipients complain that the procedures for securing child care are complex and time-consuming. Case workers have reported that the time they spend processing child care applications and troubleshooting child care difficulties impairs their ability to help participants with other welfare-to-work issues.[69] This illustrates that there

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65 Freedman, Stephen, Jean Tansey Knab, Lisa Gennetian, and David Navarro. "The Los Angeles Jobs-First GAIN Evaluation: Final Report on a Work First program in a Major Urban Center. *The Manpower Demonstration Research Corporation* June 2000.

66 Geen, Rob, Wendy Zimmermann, Toby Douglas, Sheila Zedlewski, and Shelley Waters. "Income Support and Social Services for Low-Income People in California." *The Urban Institute State Report* June 1998.

67 Freedman, Stephen, Jean Tansey Knab, Lisa Gennetian, and David Navarro. "The Los Angeles Jobs-First GAIN Evaluation: Final Report on a Work First program in a Major Urban Center. *The Manpower Demonstration Research Corporation* June 2000.

68 California Department of Education. "CalWORKs Caseload Report for Alternative Payment Programs. January 2001." June 2001. *The Coalition to End Hunger and Homelessness'*s "Los Angeles After Welfare Reform."

69 CalWORKs Evaluation Team. "Evaluating CalWORKs in LA County." August 1999. Available at http://dpss.co.la.co.us

is a need for child care to be dealt with outside of the welfare system, where is could have the full devotion of staff and other resources.

Chapter 2: The Child Care Context

Federal Funding

As discussed in the previous chapter, the main forms of federal child care subsidies are administrated through the TANF block grant and the Child Care and Development Fund (CCDF), both which were created by the PRWORA. $2.3 billion of TANF funding (16.5 billion annually) is spent on child care. The Child Care Development Block Grant is part of the CCDF and currently provides child care subsidies to low-income families with children under age 13. It is the primary source of federal child care assistance for low-income families (income less than 85% of the state median). In FY2002 a total of $4.817 billion was appropriated to the CCDBG.

There are also federal grant programs that fund child care related programs and activities, in addition to tax provisions that assist parents of varying incomes with child care expenses. For example, the Dependent Care Tax Credit (DCTC) gives families a tax credit of 35% of child care expenses up to $3,000 for one child and up to $6,000 for two children. However, the 35% rate only applies to taxpayers with adjusted incomes of $15,000 or less. The rate decreases by one percent for every additional $2,000 income increment and stops at 20% for families making over $43,000.[70]

Separate from these programs is Head Start, which provides early childhood education and development services to low-income preschool children on a part-time basis. Currently it is estimated to serve 916,000 children every year at a cost of $6.5 billion.[71] Though this amount of funding may seem high, it is important to keep in mind

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[70] Gish, Melinda. "RL30944 – Child Care Issues in the 107th Congress." *Congressional Research Service*. 9 Sept. 2002.
[71] Ibid.

that welfare and child care spending make up less than one-percent of the federal budget, and that this amount allows only 12 of every 100 children in need of care to be served.[72]

Types of Care Available

When discussing child care, it is important to understand what the term translates to in practice. The four main forms of care are as follows:

- Center-based child care – care in child care centers, Head Start, State preschool, and before- or after-school programs.
- Family child care – care by a nonrelative in the provider's home.
- Babysitter or nanny – care by a nonrelative in the child's home.
- Relative care – care by relative in either the child's or provider's home.[73]

A comprehensive study of licensed centers, early education programs, center-based programs exempt from State or local licensing (such as programs sponsored by religious organizations or schools), and licensed family day care providers has not been conducted since the U.S. Department of Education's Profile of Child Care Settings Study was released in 1991. That study reported that approximately 80,000 center-based early education and care programs were providing services in the United States at the beginning of 1990.[74] A less extensive, but more recent study, focusing only on regulated child care centers, was released by the Children's Foundation in January 2000. The study reported that the number of regulated child care centers in the 50 States, the District of Columbia, Puerto Rico, and the Virgin Islands totaled 106,246.

[72] Available at http://www.urban.org/news/events/npc/myth.html
[73] Snyder, Kathleen and Gina Adams. "State Child Care for Children with Employed Mothers: California." *The Urban Institute* Feb. 2001: 4.
[74] Kisker, E.E., Hofferth, S.L., Phillips, D.A., and Farquhar, E. A profile of child care settings: Early education and care in 1990. *U.S. Department of Health and Human Services*. 1991.

In California, the licensed child care industry directly employs over 123,000 people, and approximately 35,000 people in Los Angeles County. Family child care providers make up 35 percent of all licensed child care spots, while the remaining spots are predominantly in center-based child care.[75] Babysitters and relative caretakers are usually unlicensed providers.

The Child Care Climate in California and Los Angeles

Of California's total population of 33,871,648, 7,783,683 are children under the age of 14. Children under five make up almost 10% of the state's population.[76] Additionally, recent population estimates project that the United States' child population will increase by 10 million (from 70 million to 80 million) in the next twenty years, and that 5 million – or 50% - of that growth will be in California.[77]

Los Angeles County, which is the largest county in the nation, has more children under five than in 45 states. Additionally, it ranks seventh among California's 58 counties in child poverty (defined as children living in households with incomes less than 80% of the county's medium household income) and has over 40,000 families on waiting lists for subsidized care. Currently, the demand for child care in Los Angeles County is steadily increasing as the child population increases and there are growing numbers of CalWORKs participants trying to move into the workforce.[78] This is highly problematic for the child care industry since the supply of licensed care in Los Angeles County is

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[75] ACORN. "Licensing, Expansion, and Access for Providers (LEAP) Project Executive Summary." 31 Jan. 2003.

[76] US Department of Health and Human Services: Administration for Children and Families. "California Profile: Demographic Information." http://ericps.crc.uiuc.edu/nccic/statepro/californ.html

[77] Hill-Scott, Karen. Presentation at First Five LA meeting, 28 March 2003.

[78] California Child Care Resource and Referral Network. "The California Child Care Portfolio 2001." Jan. 2001.

already extremely low in comparison to the child population estimated to need care. Currently, there are 1,914,722 children under the age of 13 in the county. However there are only 189,343 child care slots, which means that at most only 10% of the child population could be served. This is considerably lower than the state's average of 21% of children being served. In a provider to child ratio, it boils down to there being fewer than sixteen licensed child-care slots per every 100 children age 0-12.[79] While it is true that not all of these children require care (because they may already have satisfactory arrangements), it has been estimated by the Los Angeles Child Care Planning Committee that there are at least 330,000 children in need of full-day slots, and it has been predicted that over the next ten years that number will double.[80]

Obstacles within the Child Care Workforce

With this shortage of slots, one of the immediate needs of the child care industry is to recruit more providers. However, under current conditions, recruiting may be in vain since another one of the dilemmas that the industry is currently facing is the inability to retain staff. Reports indicate that the staff turnover rate in California child care settings can be up to 50 percent or higher.[81] According to the California Department of Education, the state requires approximately 5,000 new providers each year to merely maintain continual levels of service. This exodus of child care staff is not only of concern because of a lack of providers, but also because this high turnover translates to lower-quality care since new providers are also less experienced providers. Correspondingly, high turnover rates force providers to devote much of their time to recruiting and retaining qualified

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[79] Policy Analysis for California Education (PACE). "Los Angeles County Child Care Needs Assessment." March 2000.

[80] First Five LA. "Universal Access to Preschool Including Early Care and Education: Plan Framework." 16 Jan. 2003.

staff, which takes time away from the children. Recent studies have revealed that high turnover among staff is directly correlated with the diminished social and cognitive development of children.[82]

Some reasons that explain such high turnover rates include the insufficient compensation, benefits, and work supports that child care providers receive. The average child care provider is a member of a three-person household and is typically responsible for close to 50 percent of her family's income. However, the average provider with a college degree earns as little as $12,000-17,000 annually. Based on the Bureau of Labor Statistics data and an Occupational Employment Statistics survey from 1997, the median hourly wage of a center-based ``child care worker" was $7.03, and $9.09 for a ``preschoolteacher." Both these wages are considerably higher than the median hourly wage for family child providers, who based on 1997 Current Population Survey data, earn an estimated median wage of $4.69 per hour (based on a 55-hour week, which the Center for Child Care Workforce reports is the typical work week for U.S. family child care providers).[83]

In California, the state sets a per child hourly rate of just over $4 (depending upon the age of the children and the hours of care). While the average hourly pay in California is $8.11 for home providers and $9.23 for center providers, these wages have to provide for both the provider and the operation of the child care center.[84] This means that these wages, which are barely above the minimum wage, must be enough to cover food,

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[82] Child Development Programs Advisory Committee. Health Care Benefits for the Child Care Workforce: Strategies to Achieve Compensation and Quality California's Child Care System. June 1996.

[83] Center for the Child Care Workforce. "Current data on child care salaries and benefits in the United States." March 1999.

[84] The Child Care Provider Health Insurance Project. "Issues and Approaches to Increasing Health Coverage of the Child Care Workforce." 20 Dec. 1999.

household supplies, utilities, toys, educational materials, administrative costs and transportation costs that are the operational costs of a child care business. Since these wages are barely enough to adequately provide for a provider's own familial needs, it is hard to imagine how a provider would be able to extend her wages to also cover the needs of all the children in her care.

A national forum on child care compensation entitled " Breaking the Link" concluded that revenues from paying parents cannot be relied upon to support high quality child care services. In such a labor-intensive industry, labor costs account for 70 percent of expenditures, with facilities representing another 15 percent; thus there is little left for staff compensation or benefits.[85]

There is certainly no feasible way that a provider's wage could be enough to pay for personal health insurance since most providers have very small profit margins. And since most providers are self employed - and studies have shown that more than 50 percent of child care staff lack access to employer-sponsored health insurance - it is clear that paying for insurance themselves or going without it are currently many providers' only options. Thus, the monetary incentives to become a provider are essentially nonexistent.

Child care is not just a financial strain on the government and providers, though. Almost half of California's working families with children under 13 pay for some type of child care. Among these working families paying for care, the average monthly child care expense is $343, or 1 out of every 10 dollars they earn.[86] Of families who pay for care,

[85] Child Development Programs Advisory Committee. "Health Care Benefits for the Child Care Workforce: Strategies to Achieve Compensation and Quality California's Child Care System." June 1996.
[86] Snyder, Kathleen and Gina Adams. "State Child Care for Children with Employed Mothers: California." *The Urban Institute* Feb. 2001: 14.

those with earnings at or below 200 percent of the federal poverty level spend slightly less than 1 out of every 5 dollars they earn on care.[87] More than one-third of California's low-income families spend more than 20 percent of their earnings on child care.[88]

Beyond Economics: The Effects of Quality Child Care on Children

As previously mentioned, multiple studies have proven that every dollar spent on high quality child care saves between $2-$10 dollars in later expenses, such as cost associated with crime, welfare, and special education needs. However when discussing the implementation of universal preschool, it is important to understand that the benefits of quality child care are not just monetary.

Current neuroscience research indicates that the first five years of life are the major determinates of how an adult will function. Within the first four years of life, a child's brain grows between 75% and 90% of its full capacity, and a child's experiences during these years greatly influence how the brain develops. Thus, a child's surroundings during these formative years are extremely significant. A child without quality care could be at a disadvantage for the rest of her life compared to a child who received quality early care.

There have been several studies done to document the results of being in a quality preschool setting. One such study is known as the High/Scope Perry Preschool Project. The High/Scope® preschool approach is used in both public and private half- and full-day preschools, nursery schools, Head Start, child care centers, home-based child care

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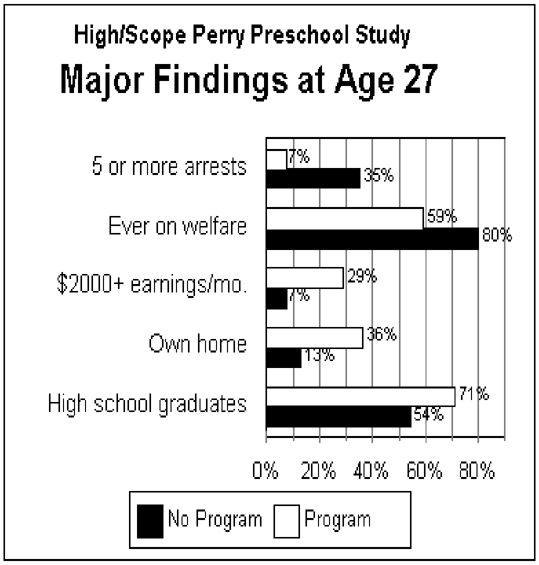
[87] Snyder, Kathleen and Gina Adams. "State Child Care for Children with Employed Mothers: California." *The Urban Institute* Feb.2001: 2.
[88] Ibid. 16.

programs, and programs for children with special needs. Originally designed for low-income, "at-risk" children, the High/Scope® approach is now used for all children and has been successfully implemented in both urban and rural settings in the U.S.

One High/Scope study examined the lives of 123 African Americans born in poverty. From 1962-1967, at ages 3 and 4, the subjects were randomly divided into a program group who received a high-quality preschool program based on High/Scope's active learning approach and a comparison group who received no preschool program. In the study's most recent phase, 95% of the original study participants were interviewed at age 27. Additional data were gathered from the subjects' school, social services, and arrest records. In analyzing the data collected at age 27, research staff found the following major differences favoring the 27-year-olds who had been enrolled in High/Scope's preschool program:

- By age 27, only one fifth as many preschool program group members as no-preschool program group members had been arrested five or more times (7% vs. 35%), and only one third as many had ever been arrested for drug dealing (7% vs. 25%)
- At age 27, four times as many preschool program group members as no-preschool program group members earned $2,000 or more per month (29% vs. 7%). Almost three times as many preschool program group members as no-preschool program group members owned their own homes (36% vs. 13%); and over twice as many owned second cars (30% vs. 13%).
- Only three fourths as many preschool program group members as no-preschool program group members received welfare assistance or other social services at some time as adults (59% vs. 80%).
- Almost a third again as many preschool program group members as no-preschool program group members graduated from regular or adult high school or received General Education Development certification (71% vs. 54%). Earlier in the study, the preschool program group had significantly higher average achievement scores at age 14 and literacy scores at age 19 than the no-preschool program group.

These findings indicate that a high-quality preschool program can significantly increase children's future contributions to society.



Another study conducted on the effects of quality early care was the Abecedarian Project. The Abecedarian Project differed from most other early childhood programs because it began in early infancy whereas other programs began at age 2 or older, and thus it involved children that had five years of exposure to early education in a high quality child care setting, whereas most other programs were of shorter duration. The project was a carefully controlled study in which 57 infants from low-income families were randomly assigned to receive early intervention in a high quality child care setting and 54 were in a non-treated control group. This degree of scientific control gave investigators greater confidence that differences between the treated and untreated individuals could be attributed to the intervention itself, rather than to differences among treated and untreated families. The treated children received full-time educational intervention in a high-quality childcare setting from infancy through age 5. Each child had an individualized prescription of educational activities consisting of games that were incorporated into his or her day. These activities addressed social, emotional, and cognitive development but gave particular emphasis to language. From the age of 18 months and through the completion of the child care program, children in the intervention group had significantly higher scores on mental tests than children in the control group. Follow-up cognitive assessments completed at ages 12 and 15 years showed that the intervention group continued to have higher average scores on mental tests.

The study has now completed a young-adult follow-up assessment of participants. At age 21, cognitive functioning, academic skills, educational attainment, employment, parenthood, and social adjustment were measured. One-hundred-four of the original 111 infants (53 from the intervention group and 51 controls) were assessed. The findings were as follows:

- Reading achievement scores were consistently higher for individuals with early intervention.
- Mathematics achievement showed a pattern similar to that for reading, with treated individuals earning higher scores.
- Those with treatment were significantly more likely to still be in school at age 21; 40% of the intervention group compared with 20% of the control group.
- A significant difference was also found for the percent of young adults who attended a four-year college. About 35% of the young adults in the intervention group had either graduated from or were at the time of the assessment attending a four-year college or university. In contrast, only about 14% in the control group had done so.
- Employment rates were higher (65%) for the treatment group than for the control group (50%), although the trend was not statistically significant.[89]

Though there are limited studies on this topic (due to the difficulties in measuring long-term effects), the results do strongly back up the notion that the presence of

[89] Available at http://www.fpg.unc.edu/~abc/embargoed/executive_summary.htm

quality preschool between the ages of 0-5 has a significant effect on the rest of a child's life.

This adds another notch to the realm of unequal education in America, for even if all current elementary, junior high, and high schools were equalized, there would still be the very real problem of "unequal footing" that begins with the type of early childhood care a child does or does not receive. On average, children from low-income households enter school with one-fourth of the vocabulary of middle class students. By first grade, a child from a low-income household typically has a 5,000 word vocabulary, while a child from a middle class household has a vocabulary of approximately 20,000 words. [90] This is undoubtedly linked to the reality that children from more affluent households are more likely to be enrolled in preschool programs than children from moderate- or low-income homes. In 1996, 75.8% of 4 year olds from households with an annual income of $50,000 or more were enrolled in preschool education programs, compared to 50.6% of children from households with an income between $20,000 and $35,000.[91] A system of equalized, quality early education would help to alleviate this disparity.

[90] Rhodes, Eric. "Universal Preschool." *Century Foundation Idea Brief* 5 (March 2000). Available at www.icf.org.
[91] U.S. Department of Education, National Center for Education Statistics, National Household Education Survey Results, Parent and Family Involvement File. 1996. Available at http://nces.ed.gov/pub98/oct98.pdf.

Chapter 3: The Proposition 10 Initiative in California - A Universal Preschool Case Study

Given the nature and extent of the problems associated with the current supply and quality of childcare, one of the only rays of hope for the child care industry in California is the funds from Proposition 10, a ballot initiative that passed in the November 1998 election. Prop 10 increased the state excise tax on cigarettes and other tobacco products by 50 cents and allocated all of the revenue to early childhood education and development. The average yearly revenue from Prop 10 is approximately $700 million.[92] These funds are dispersed annually to California's 58 counties, based on the counties' birth rates, to enhance services for children age zero to five. A Prop 10 Commission has been established in each county to decide how to administer the funds. The Los Angeles Commission, which recently changed its name from the Children and Families First Proposition 10 Commission to First Five LA, gets approximately $130-145 million annually.[93]

First Five is currently funding multiple programs that contribute to its overall goal of addressing the urgent need to support and strengthen families with young children. It has devoted $100 million over five years to expand health insurance coverage to children 0-5 who are not covered by existing plans, $25 million to increase availability, accessibility, and quality of licensed child care services, $10 million to a "Home Visitation Program" that provide services such as perinatal education, and $300 million to various projects such as grants for "Community Developed Initiatives," child abuse prevention, family literacy, healthy births, and "School Readiness" programs.

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[92] Lull, Laura. Communications Officer, First Five Los Angeles. Personal interview. 27 March 2003.
[93] Ibid.

This research will focus on First Five LA's "Universal Access to Preschool Including Early Care and Education" initiative, which broadly aims to create quality universal preschool and early care to children age 0-5 over the next ten years. It has been allocated $100 million for the first five years of operation. In September of last year, the Commission rolled out what it characterizes as a "holistic, systems approach of designing and implementing the initiative in order to enhance and/or build a sustainable infrastructure."[94] While the framework proposal is limited by the fact that child care may only be available during traditional work hours and the fact that the plan is only targeting children age three to five during the initial five years (of their ten year plan), it nevertheless may constitute the most practical way to begin to alleviate the welfare and childcare crisis plaguing Los Angeles.

Though the framework is still very rough, and currently being fleshed out by the First Five LA Commission and a more specialized Advisory Council, there have been some clear standards set. One of the programs goals is "School Readiness," which is to be achieved by raising academic achievement and overall well being by providing more children with a quality, instructional, developmental experience. Ultimately, this experience should begin to "bridge the gap between public education and the system of early childhood development/education through the promotion of a more coordinated and integrated educational network for communities and families."[95]

As previously mentioned, this is the only way to truly legitimize the child care industry. Without attaching it to the larger system of education, childcare is seen as a babysitting service that simply serves the needs of working parents. The First Five LA's

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[94] Lull, Laura. Communications Officer, First Five Los Angeles. Personal interview. 27 March 2003.
[95] First Five LA. "Universal Access to Preschool Including Early Care and Education Plan Framework." 16 Jan. 2003.

framework, however, highlights the needs of children first, while simultaneously providing a work support for parents.

Although the program aims to eventually be truly universal and provide at least part-day care for all children age 0-5 regardless of income, due to funding limitations and a lack of providers (for example, there are 454,128 children age 3-5 in Los Angeles, but only 127,890 licensed spaces[96]), the initiative must start with a "target group." Currently, the roll-out phase is expected to target children age 3-5 who currently receive a subsidy that is not adequate to cover the cost of full day care, are eligible for subsidized care, but are not receiving it, or those who live in families who are above the eligibility limits for other child care subsidies, up to 300% of the Federal Poverty Level. However, the Commission has predicted that even this group may have to be further narrowed down; if so, they would target children that fit the above criteria who also live in areas with low performing schools (approximately 140,000) and that live within priority zip codes identified based on an assessment of the need for subsidized child development services and the current supply of State Preschool and Head Start spaces. [97]

The initiative seeks to achieve these goals by focusing on three main areas: expanding availability of early childhood development education programs, improving the quality of the programs, and forming an integrated early childhood training and professional development system to improve the readiness of the child care workforce.[98]

There are currently four main strategies that the Commission has come up with to expand the capacity of existing providers. The first revolves around expanding the Head

[96] First Five LA. Universal Access to Preschool Including Early Care and Education: Plan Framework. Appendix 3. 16 Jan. 2003.
[97] Ibid. 10.
[98] Ibid. 3.

Start Program, which serves approximately 40 percent of eligible three- and four-year olds in LA County. Within this strategy, they have suggested three sub-methods: 1) the "connected care" method which would develop a collaboration between Head Start and child care programs in which partnering agencies provide care to connect the part day educational Head Start services with early care and educational services for the rest of the day; 2) the "wrap-in services" method which would make the primary early care taker and education provider responsible for the Head Start component, and thus would be paid through Head Start funds; and 3) the "blending funds" method, which would blend several funds such as Head Start, State Preschool, Alternative Payment, other Department of Education contracts, and parent fees to create one seamless service.[99]

The second strategy is to expand the State Preschool system, which is part day, part year and currently serves approximately 23,503 children in LA County. State Preschool funds continue to drop because contractors struggle to identify eligible families and/or resources to provide services. Thus, in FY2001-2002, the County did not use all of its $10 million in preschool expansion funds. The strategy would create a partnership with the state preschool system and attempt to recapture the State Preschool funds.[100]

The third strategy being considered revolves around partnering with non-profit agencies and providers to expand services to preschool age children. This strategy includes collaboration with current and potential providers such as school districts, faith based organizations, child care centers, and family child care homes.

There are additionally three main strategies for enhancing "quality," which has been identified by the following dimensions: staff qualifications and professional

[99] First Five LA. "Universal Access to Preschool Including Early Care and Education: Plan Framework." 16 Jan. 2003: 5.
[100] Ibid. 6.

development, parent involvement, staff to child ratios, health and safety, nutrition and food service, physical environment, and relationships among teachers and families. The first is to adopt and promote quality standards in all initiative programs. These standards will be adopted from existing resources such as the National Association for the Education of Young Children (NAEYC), Head Start's performance standards, and the Department of Education's "desired results." This strategy may also include a certification process, which would require support for agencies or providers who do not currently meet these standards. This support should include information about the standardization process, funding to defray the cost of training and other activities, and training opportunities for providers to become familiar with the standards.

The second strategy is to establish an independent system for on going assessment to ensure that standards are upheld. Currently, outside of Head Start and centers funded by the CDE, there is no ongoing assessment other than the basic licensing and health and safety standards. And the third strategy is to somehow link provider quality to compensation as an incentive for providers to improve their services.

The third objective, which the Commission has labeled "systems improvement," revolves around promoting compensation and professional development, supporting professional development activities, and developing a long-term initiative to advance movement toward "articulation between various early childhood development education institution."[101]

First Five LA's plan – though still very rough - is a huge progressive leap in the world of universal preschool. There are only two other programs in the entire country that

[101] First Five LA. "Universal Access to Preschool Including Early Care and Education: Plan Framework." 16 Jan. 2003: 10

have successfully created a universal system for preschool aged children. Thus, not only is the undertaking bold and costly – it also has very little precedent to follow.

Chapter 4: Two Universal Preschool Case Studies

At present, the state of Georgia and the military are the only two entities that have genuine comprehensive universal preschool systems. New York has a program designated as universal pre-kindergarten, but it does not yet serve all eligible children. Local communities there decide what criteria to use in selecting age-eligible children for enrollment. From school year 1999 until June 30, 2002, preference was given to economically disadvantaged children.[102] Similarly, the District of Columbia has established a universal preschool program attached to its public school district. However, while all 4-year-old children residing in the District are eligible to participate, children are served on a first-come, first-served basis – and thus not every child is guaranteed services. Oklahoma is also currently making progress toward universal pre-kindergarten through its Early Childhood 4-Year-Old Program; however it can not yet provide service to all four year olds.

Other states have programs that are referred to as “universal preschool;” however they are only for children labeled “at-risk” or below the state’s poverty level. For example, New Jersey law mandates free, high-quality preschool for 3- and 4-year-olds living in the state's highest-poverty districts. Kentucky also provides a free preschool education to 4-year-olds from the state's lowest-income families. Last November, voters in Florida approved a universal pre-kindergarten measure. This legislation stipulates that free universal pre-kindergarten will be offered to all Florida 4-year-olds by 2005. Additionally, West Virginia has legislation stipulating that all 4-year-olds in that state

[102] Available at http://www.nccic.org/faqs/univprek.html

will be offered universal pre-kindergarten by 2012.[103] However, since Los Angeles is aiming to create a comprehensive universal system for all children, regardless of income within the next ten years, the First Five LA Advisory Council is specifically looking at the completed Georgia and military models.

Georgia

Initially, the Georgia program served only "at-risk" 4-year olds from low-income families. However, in 1995, the program became fully universal; enrollment is now open to all 4-year old residents of the state provided the parents want them to attend. The program provides for a minimum of 6.5 hours a day, five days a week for 36 weeks. Some pre-kindergarten centers provide extended-day or year-round services; however these services are not free. Since public schools did not have enough space (for the 60,000 four-year olds), opening up the program to private providers (for-profit and non-profit) was critical in scaling up the program. The state set minimum standards for the educational level of the teachers (B.A. with specialization in early childhood education, Child Development Associate, or Child Care Professional credential) and for the ratio of staff to students (ratio of 1:10; maximum class size of 20). Funding formulas provide incentives for programs to hire well-educated teachers and for teachers to obtain advance certification. Currently, all administrators, teachers, and support staff are required to attend a minimum of 10 hours of approved training a year.

The program is funded by the state's lottery revenue, which continues to grow annually. (In FY 1994, the educational programs received $242 million and by FY 1995 it had grown to $475 million.) Initially, the program was run by the State Department of

[103] Available at http://nieer.org/faq/index.php?TAid=100

Education, but the department proved to be too bureaucratic to tend to such a flexible project. Thus, the Governor created the Office of School Readiness (OSR), which reports directly to him, and the OSR hired staff with administrative, budgetary, and technological skills. The Head Start program was transferred from the Dept of Education to OSR, which greatly enhanced collaboration between the two programs.[104]

Some of the most valuable lessons learned in Georgia's development of universal preschool were the importance of total universality for political buy in, the challenges of creating an infrastructure, and specifically of integrating private providers into a public program and developing these providers into a universal system of quality care and education.

United States Military

In 1989, Congress passed the Military Child Care Act, which turned the military's childcare system around in a decade, making it one of the most acclaimed models in the country. Funds for military child care increased from $90 million before the act to $357 million in FY 2002. It is the largest employer-sponsored child care program, serving more than 200,000 children a day in over 300 locations. The children receive high-quality care from well-trained, well-paid providers, parent fees are considered affordable, and the supply is increasingly catching up with demand.[105]

A crucial component of the military's ability to provide high-quality child care is its accreditation system. All centers are required to meet the quality standards of the NAEYC and the military provides them with financial and technical assistance so that all

[104] Raden, Anthony. Universal PreKindergarten in Georgia: A Case study of Georgia's Lottery-Funded Pre-K Program. *Foundation for Child Development* 1999. Available at www.ffcd.org/prek.pdf

centers can comply. Over 95 percent of centers are accredited, and the rest are in the process of becoming so. This compares to just 8 percent of civilian centers which are accredited. (Only 9 states require the process.) In addition each individual provider must successfully complete an extensive core training program within 18 months. Their starting wage in 2002 was $8.00/hour, with a raise to $10.00/hour upon successful completion of the training. Plus, all workers receive full benefits. Not surprisingly, this has resulted in very low turnover and the level of staff professionalism has greatly increased. [106]

Another crucial component of the military system is that it has recognized and acted upon the reality that child care costs more than parents can afford. Thus, it has increased the amount of subsidization for fees, and even though the cost of providing military care is slightly higher than the cost of civilian care, and even though military families usually use the centers for longer hours and for younger children (which have more expensive needs), the cost to parents is 25 percent lower on average than the fees paid by civilians for comparable care.

By 2000, just ten years after implementing reforms, the military was able to meet 59 percent of families' need for care. Currently, the military is meeting over 80 percent of its families' child care needs, and has projected that it will be able to meet 100 percent of those needs by 2007.[107] This illustrates what a dedication of federal funds can do to improve the system, and what smaller internal improvements, such as improving provider's wages and funding the accreditation process, can achieve.

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[106] National Women's Law Center. "Key Lessons From the Military for Improving Our Nation's Child Care System." Sept. 2002. Available at www.nwlc.org
[107] Ibid.

Chapter 5: Creating A Model Child Care Provider Resource Center

In order to make universal preschool work, no matter which strategies are ultimately adopted by First Five LA, it is clear that there is a need for serious efforts to recruit more providers, improve and standardize the quality of their services, improve their working conditions/incentives, improve the way they run their businesses, and increase the amount of government funding allocated to early childhood development. A Child Care Resource Center, described in detail in this chapter, can concretely address all of these immediate needs directly at the grassroots level.

There is already an established system of child care "resource and referral" (RR) centers that are designed to serve three main functions: 1) to serve as the liaison between state child care subsidy funds and child care providers (thus they serve as the quasi-employer of providers); 2) to refer parents to specific providers; and 3) to provide technical assistance and workshops to help improve the services that providers give to children and families. There are currently 9 main RR centers in Los Angeles County.

The model child care resource center I am proposing would not attempt to replace these centers, but would aim to enhance their work in order to best support the First Five LA Universal Preschool Initiative. Broadly, it would aim to fill in the gaps in services that exist in the arena of child care provider workforce development. The model is based upon a proposal currently being developed and circulated by the Association of Community Organizations for Reform Now (ACORN)'s Child Care Providers for Action Campaign, known as the CARE (Childcare Action Resource and Empowerment) Center.

The center would specifically aim to increase the amount of licensed providers through outreach, training, and support, improve providers' small business skills, and develop providers' political/policy knowledge and leadership skills so they can effectively participate in civic activities.

There are both obvious and subtle reasons for needing to improve the attempt to license more providers. While it has not been specifically stated by the First Five Commission, it is highly probable that to be included in the Universal Preschool Initiative, a provider will have to at least be licensed (if not also accredited). Additionally, as previously mentioned, there are simply far too few child care openings. More licensed providers would both create more spots and create jobs, including ones for welfare recipients.

Licensing providers has the potential to increase the amount of child care spots significantly since unlicensed providers can only care for the children of a friend, neighbor, or relative. However a licensed provider can care for up to 14 children after just six months of being licensed to care for a capacity of seven. Currently in Los Angeles there are approximately 8,500 identified licensed-exempt providers that would be ideal first targets to be reorganized as licensed family child care providers.[108]

While there are already services designed to license providers, they need to be substantially improved in order to support the needs of the Universal Preschool Initiative. Currently, the first place a person interested in becoming a provider must go to is the State Community Care Licensing Division. This is done by calling the local division office and signing up for an "orientation" session. However, there is only one session per month and the date of the session is not announced until the first of each month. Additionally, the sessions are generally held between 9 a.m. and 3 p.m. and do not provide child care. Thus, the sessions have several scheduling glitches. One, a person

[108] ACORN. "LEAP Project Executive Summary." 31 Jan. 2003.

cannot schedule a day off (to go to the session) too much in advance since the day is not announced until the beginning of each month. Two, the sessions are during the day, which means that if a person holds another job, they would most likely have to miss work to attend. Three, the fact that there is no child care provided is ironic since the session is specifically functioning out of a recognition of a lack of available child care. Additionally, the likelihood of someone knowing about this service is low since there is no advertising done by the Community Care Licensing Division in an attempt to spur interest in becoming a licensed provider; it is entirely up to interested parties to figure out how they go about getting licensed.

After the interested party attends the second part of the two-part orientation session, she is given a certificate of attendance and can apply to be a provider. To become licensed, she must have everyone in her home (including herself) take a TB test, submit a fingerprint test that is run through the California child abuse index, and pay a $25 fee. She in not required to go through any training.

After these orientation sessions occur, the Community Care Licensing Division sends a list of participants to all of the county RRs. The RRs either call and/or mail the participants in their designated areas (done by zip-codes) information about quality trainings. This is the extent to which most RRs attempt to license new providers. Some RRs provide services through the state-funded Child Care Initiative Project, which is designed for providers interested in becoming licensed. Centers such as Connections for Children in Santa Monica hold three of these training session a year (2 in English, 1 in Spanish) consisting of 25 hours of training broken up into five Saturdays. Half of the training focuses on infant/toddler issues and the other half on the business aspects of family child care. To advertise, they send representatives to about 10 child care oriented "fairs" a year; the rest is dependent upon word of mouth.[109]

Most of the RRs have a primary focus on improvements with the current child care workforce, rather than on recruiting new providers. For instance, Crystal Stairs – the largest RR in the county - is not currently trying to license more providers. Rather, CS is focusing on "quality improvements," by offering classes in areas such as early childhood education. [110] Centers such as the Center for Community and Family Services (CCSF) and the Child Care Resource Centers (CCRC) each have one training session a month (between 9 a.m. and 12 p.m.) for new or unlicensed providers. Neither center does any advertising for the trainings or provides any form of child care.[111] Children and Family Services does some outreach at community events dealing with child care, but their main way to encourage interested parties to become licensed is through providing incentives (such as subsidies for CPR classes or free fire extinguishers) for those who come to a certain amount of trainings. Their main purpose is to build the capacity of those already licensed or those already in the process of becoming licensed. They have two orientation sessions a month to go over the licensing process.[112] No child care is provided.

Thus, there are clearly multiple unmet needs in the arena of licensing providers. A model center should do the following things:

- be open and provide sessions during non-traditional hours (in the evening);
- provide child care during training sessions;

[109] Lutu, Aolelani. Special Projects Coordinator, Connections with Children. Phone interview. 8 April 2003.
[110] LaFianza, Javier, VP of Programs Crystal Stairs. Phone interview. 24 Feb. 2003.
[111] Hilton, Jowane. Center for Community and Family Services. Phone interview, 8 April 2003 and information from Child Care Resource Center voice recording, 8 April 2003.
[112] Perez, Yovana. Training Specialist, Children and Family Services. Phone interview. 14 April 2003.

- have multiple sessions a month to increase likelihood and increase amount of attendance;
- schedule sessions well in advance so people have a reasonable amount of time to make arrangements to be there;
- provide Spanish translation at every session so that the Latina population is not limited to only a few specific sessions; explore the need for other translation needs;
- thoroughly advertise the licensing programs and trainings in the community;
- work with the Community Care Licensing Division to advertise and create more accessible sessions during non-traditional hours

While all RRs provide workshops and trainings on early childhood development, few have sessions that focus on how to run a small business. As mentioned before, under the new State funded Child Care Initiative Project, half of the training is devoted to the business of family child care, however this program only began to be implemented last year, and thus is not yet widespread. Additionally, as in the case of Connections for Children, it is only run three times a year. Child and Family Services, which has two classes every weekend, only devotes an average of 3-4 of these classes to business oriented trainings, such as marketing and promotion.[113] The Center for Community and Family Services offers no business training classes[114] and Crystal Stairs admits that it is "not a huge part" of their services.[115]

The model center would have two workshops a month (every other week) on business maintenance and growth. The goal would be to have at least 30 participants at each meeting, which would equate to educating at least 720 providers every year getting training. The topics of these sessions would include, but not be limited to:

- how to write grant proposals;

[113] Perez, Yovana. Training Specialist, Children and Family Services. Phone interview. 14 April 2003.
[114] Hilton, Jowane. Center for Community and Family Services. Phone interview. 8 April 2003.
[115] La Fianza, Javier. VP of Programs, Crystal Stairs. Phone interview. 24 Feb. 2003.

- how to develop marketing and community outreach skills;
- how to manage business finances;
- updates on current trends in the child care industry;
- dealing with government bureaucracy (filling out forms correctly, getting paid fully and on time, navigating the child care subsidy system).

In order to assure that the center would be well utilized, it must be as accessible and connected to providers as possible. Since the current RRs serve as quasi- employers in addition to resource centers, many providers feel disempowered by them because of disputes over things such as paperwork, late payments, or substandard reimbursement fees (which are set by the state and administered by the RRs). Thus, it is extremely important to have a center that is solely there to serve the needs of the providers and the child care crisis as a whole, rather than the needs and demands of the state. Several strategies could be implemented to achieve this goal.

The primary strategy would be extensive community outreach. Similar to ACORN's Child Care Providers for Action campaign which utilized one-on-one organizing techniques, every licensed provider in the county would be personally contacted first by phone, and then by one-on-one house visits (if desired) and have the benefits of the resource center explained to them in detail. Additionally, flyers and brochures would be sent out each month, one in the form of a newsletter, announcing classes and child care industry/political updates.

It is important to target already licensed providers because of the high turnover rates in the industry. As previously mentioned, there is a 50% turnover rate in California. It is much more cost and time efficient to retain providers than recruit new ones.

However, knowing that both retaining and recruiting must be done, flyers and brochures will also be distributed throughout the county in places that potential providers would possibly locate themselves (social service offices, county hospitals, child care centers (that have waiting lists, and thus are not concerned about competition), local schools, PTA meetings, etc.).

A second key strategy designed to keep current providers involved and recruit new providers into the system is leadership development. The center could identify providers who are potential leaders, put them through the same training that the center's leaders obtain, and invite them to participate in the center's committees and activities with County and State officials. This allows for providers to have real buy-in into the center, empowering them to actually inform center decisions the way they feel is most appropriate coming from their years of actual child care experience. This would ideally lead to better, more attuned services being provided by the center, which would in turn draw providers to its services and increase the chances of progress within the center and the industry as a whole.

Another reason this buy-in is so important is because of the political lobbying that the center could initiate by informing the providers of political events (such as proposed budget cuts to child care funding). However, while the center would be able to help educate providers on current government affairs, the lobbying and political pressure should ultimately be carried out by the providers themselves. This lobbying would range from traditional meetings with government officials to non-traditional methods of political pressure such as public protest. This applied pressure is a critical part of any attempt to alleviate the child care crisis, especially considering the current political climate which is marked by cuts in already insufficient child care funds. Additionally this is needed because of the reality that Proposition 10 funds are based on a sin tax, which means that its revenue will very likely decrease over time. Since effective political pressure can only really be applied in two ways – through money and the power of numbers – and child care providers obviously do not have the luxury of the former, buy-in strong enough for providers to devote their time to the politics of the industry is greatly needed.

Lastly, buy-in is important because most providers should be dues-paying members of the center – ranging from $10-$35 a month depending on what they could afford to pay. This contributes to the funding of the center, which would aim to be totally independent of government funds. It is important for the center to be detached from government funds to protect such problems as budget cuts, as well as to allow the organization to freely pressure the government without any strings attached to its funding. The rest of the funding could come from foundation grants and investors.

Conclusion

The attempt to alleviate the child care crisis in Los Angeles, which has been highlighted and exacerbated by welfare reform, is not an easy task. It is a complicated, multifaceted problem, especially in this time of conservative political domination, economic downturn, and a focus on international events.

As this research indicates, though pressure needs to be applied to all levels of government, it is clear that no significant help is going to come from the federal government any time in the near future. The child care crisis in Los Angeles, and throughout the nation, is operating in the broader context of a federal abandonment of social services. According to the Center for Budget and Policy Priorities, Bush's FY2002 budget proposed 40 times more money for tax cuts than for education.[116] The Administration's current budget proposal for FY2004, which was announced in February of this year, continues to make cuts in social services. For example, Head Start would receive barely enough funding to cover program inflation costs ($148 million) under the proposal. Additionally, the proposal suggests that Head Start should begin to be dismantled at the federal level and given to the states to deal with. More broadly, funding for child care services will be frozen in FY2004, causing 30,000 children to be dropped from services within the first year. The Administration has confirmed that the freeze will result in at least 200,000 children losing care over the next five years. [117] These are just a few examples of how the federal government is approaching the issue of a troubled early care and education system.

[116] Children's Defense Fund. "Children or Tax Cuts—The Nation Must Decide: The Children's Defense Fund Urges Repeal of Tax Cuts for the Wealthiest One Percent." 8 May 2002. Available at http://www.childrensdefense.org/release020508.php
[117] Children's Defense Fund. "Bush Administration Wages Budget War Against poor Children." 26 Feb. 2003. Available at http://www.childrensdefense.org/pdf/budget_thematic_022603.pdf

Thus, in this context it is necessary to look in the near term to more localized, "bottom-up" models for progressive change. Since it is unlikely that welfare reform, and specifically the welfare to work component, will be significantly altered by any reauthorization bill that goes through this Congress, attention must be focused on dealing with the gap it leaves between work requirements and work supports. Though the universal preschool initiative in Los Angeles will only affect a handful of welfare recipients in its first stages, and only provide them with part-day child care, it must be recognized that this is just the start of a more complete solution to the crisis. Furthermore, the initiative must be recognized as part of a widespread movement of states and counties taking responsibility for what they see as their local priorities.

In order for universal preschool to ever achieve a place on the national agenda, it is essential to work out a solid, replicable model that can be applied to diverse populations and scenarios. The First Five Universal Preschool Initiative has the potential to become the most widely used model in the nation because of all of the obstacles it must overcome to succeed as a comprehensive universal system. The proposed Child Care Resource Center aims to be part of this model, emphasizing the importance of focusing on concrete details that will bring gradual, but significant changes to the child care workforce. The center has the potential to support the mobilization of a grassroots movement that is unwilling to wait for the empty promises in the current Administration's "Leave No Child Behind" rhetoric, which in reality is leaving children and parents alone in their struggles to improve this country's system of early care and education.

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