



Southern Regional
Task Force
on Child Care

December 2000

Action Plan to Improve Access
to Child Care Assistance
for Low-Income Families
in the South

THE SOUTHERN INSTITUTE
on Children and Families

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Action Plan to Improve Access to Child Care Assistance for Low-Income Families in the South

as presented in

*Sound Investments: Financial Support for Child Care
Builds Workforce Capacity and Promotes School Readiness*

**Southern Regional Task Force
on Child Care**

December 2000

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Southern Regional Task Force on Child Care

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Southern Regional Initiative on Child Care

The inability of many families to pay for child care is a public policy issue with far-reaching consequences for southern states. To develop and maintain the workforce required to fuel economic progress throughout the South, greater investments in strategies that make child care more accessible and affordable are essential. To sustain the ability of families to stay off the welfare rolls, financial assistance in paying for child care is imperative. To assure that all children have greater opportunities to participate in early childhood development programs that enhance their readiness to learn, helping families afford quality services is basic. Yet, there is inadequate attention given to the huge gap between the price of child care and the ability of families to pay.

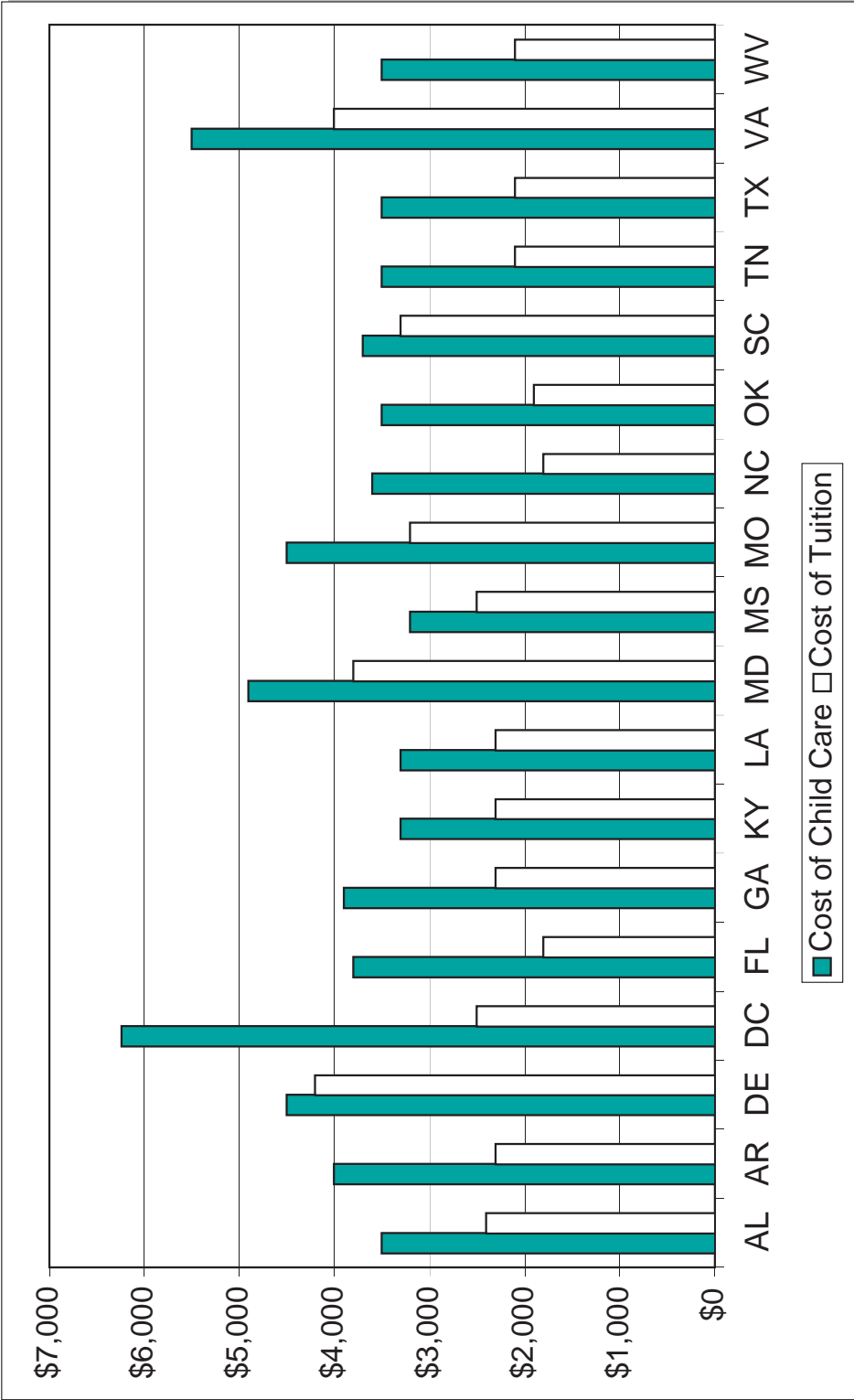
— Sound Investments: Financial Support for Child Care Builds Workforce Capacity and Promotes School Readiness Report and Action Plan

In January 2000, at the invitation of the Southern Institute on Children and Families, governors from 16 southern states and the mayor of the District of Columbia appointed representatives to the Southern Regional Task Force on Child Care. Additional appointments were made by the Southern Institute and by the Southern Growth Policies Board. The charge to the Task Force was to collaborate in the development of a plan of action to improve access to child care assistance for low-income families in the southern region.

During its deliberations, the Task Force received testimony from professionals, families and representatives of the business community, identified barriers that impede access to child care assistance for low-income families and developed a plan of action to improve access to financial aid for families who need and seek assistance.

On average, child care is the third largest expense for all families with preschool-age children, after housing and food. In fact, in every southern state, the annual cost of enrolling a four-year-old in a full-time child care center is more than annual public college tuition. (See Graphic, p. 2)

Child Care Costs More Than Public College Tuition



Source: Southern Institute on Children and Families, December 2000, derived from data in *Child Care Challenges*; Children's Defense Fund, May 1998. Data for District of Columbia provided by Center for Applied Research and Urban Policy, University of the District of Columbia, 2001.

What can be done to help low-income families with the child care affordability dilemma they face? Public and private child care subsidies can help families pay for child care. The Child Care and Development Fund (CCDF) is the primary source of federal funding for child care subsidies for low-income families. Each state qualifies for an annual amount of federal funding appropriated based on federal guidelines. To receive additional federal money, states are required to put up matching funds. States have discretion in establishing income eligibility levels for their child care subsidy programs.

To assist the Task Force in identifying issues and opportunities, a survey of the 17 participating states was conducted to collect detailed information on the state/federal subsidy system policies and procedures in each state.

The Task Force identified the following issues as barriers to child care financial assistance:

- △ Significant underfunding of the federal/state child care subsidy system;
- △ Eligibility policies and systems that hinder access to public child care subsidies;
- △ Inadequate attention to developing employer child care assistance partnerships; and
- △ Lack of federal and state tax strategies, e.g. refundable child care and dependent tax credits.

The Task Force believes it is important to act now because:

- △ The percentage of women in the workforce has jumped from 28% in 1940 to 40% in 1966 and to 60% in 1998;
- △ In the South, 14 out of 17 southern states exceed the national average of mothers working outside the home;
- △ The number of single-parent families, most headed by women, has more than doubled in the past 30 years. Single parents typically use more hours of child care per week to work full-time because they do not have another adult in the home to help them transport children or care for them in the event of illness or other emergencies;
- △ Increasing numbers of families, especially low-income families, now rely on the incomes of both parents working outside the home; and
- △ Child care assistance is a key component to building workforce capacity and supports state efforts to reform welfare and to improve the readiness of young children to enter and succeed in school.

The *Action Plan to Improve Access to Child Care Assistance for Low-Income Families in the South* expresses the position of the Southern Regional Task Force on Child Care that bold action is needed to make child care financial aid available and accessible for low-income parents who need and seek it. The 10 goals and 52 action steps call on public and private sector leaders to support specific initiatives, including significant increases in child care resources, eligibility simplification, improved customer services, implementation of tax strategies and creation of employer partnerships. Survey data and other information supporting the goals and action steps are presented in the Appendix.

The Southern Regional Task Force on Child Care will monitor progress toward accomplishing the Action Plan goals. Implementation activities in 2001 will include state site visits to each of the 16 southern states and the District of Columbia, a Southern Regional Forum on Child Care and a report issued in December outlining the results of state efforts to achieve the goals.

The *Action Plan to Improve Access to Child Care Assistance for Low-Income Families in the South* addresses the initial charge of the Task Force. The Task Force recognizes that improving access to financial aid for child care is a critical component in an overall plan to assure that low-income families are able to obtain affordable, quality child care that will improve opportunities for children and their parents. As the Task Force moves into the next phase, it will initiate its work to address additional issues associated with improving access to quality child care.

Action Plan to Improve Access to Child Care Assistance for Low-Income Families in the South

GOAL 1

Federal, state, local and private funds should be sufficient to meet 100% of need for direct child care assistance, based on initial eligibility levels at 85% of the state median income. Redetermination levels should allow families to retain child care assistance until they reach 100% of the state median income.

Action Steps

- 1.1. Educate federal and state policymakers on the need for action.
- 1.2. Educate the business community on the need for leadership in achieving state, federal and community resources to meet 100% of need.
- 1.3. Increase federal funding for the Child Care and Development Fund to fulfill current policy allowing federal matching funds for child care assistance up to 85% of the state median income.
- 1.4. Increase state funding to provide child care subsidies to all eligible families who seek child care assistance.
- 1.5. Mobilize federal, state and community resources in support of families who need child care assistance.

GOAL 2

States and communities should broaden their child care eligibility and subsidy policies to meet the economic, work and education needs of families.

Action Steps

- 2.1. Establish co-payments not to exceed 10% of gross family income.
- 2.2. Provide child care assistance to students who qualify under the income guidelines.

- 2.3. Explore broad use of income exemptions to address affordability of child care.
- 2.4. Eliminate asset testing (e.g. automobile or savings account) from criteria for child care assistance.
- 2.5. Index income eligibility levels for inflation.

GOAL 3

Outreach initiatives should be designed and aggressively implemented to assure that families have accessible and easy-to-understand information on child care assistance and are provided assistance in applying.

Action Steps

- 3.1. Provide information on child care subsidies through multiple sources, venues and the media.
- 3.2. Ensure that information is accurate, family friendly, employer friendly, culturally sensitive and provided in multiple languages, as appropriate.
- 3.3. Present information in a manner that would remove the stigma associated with receiving subsidies.
- 3.4. Provide literature and assistance to help parents make informed provider choices.
- 3.5. Coordinate ongoing and strategic outreach activities among common organizations and providers.
- 3.6. Offer cross-training and information to providers, community organizations, faith organizations and state agencies to inform them about child care assistance programs and how to assist families in filing applications.

GOAL 4

The child care application and redetermination processes should be uncomplicated and family friendly.

Action Steps

- 4.1. Simplify applications for child care assistance.
- 4.2. Allow filing by mail, phone, fax or internet.

- 4.3. Minimize requests for documentation at initial application and utilize documents already on file.
- 4.4. Provide applications at multiple sites.
- 4.5. Offer non-conventional hours of operation for eligibility offices and provide toll-free phone lines to include evening and weekend hours.
- 4.6. Explore presumptive eligibility or otherwise provide immediate eligibility contingent upon final approval.
- 4.7. Eliminate requirements for a face-to-face interview both for initial application and for redetermination.
- 4.8. Provide consultation on making appropriate choices when excessive requests for provider changes are filed.
- 4.9. Establish a 12-month redetermination period where there are no changes in income or job status.
- 4.10. Continue eligibility for full subsidy for 12 weeks if family loses employment but can document that a job search is underway.

GOAL 5

Establish a coordinated, seamless eligibility system so that funding sources are invisible to families and support continuity of child care.

Action Steps

- 5.1. Eliminate the need for families to reapply when eligibility categories change by automatically searching to exhaust all eligibility categories before closing cases.
- 5.2. Explore the potential for policy and procedural changes to achieve linkages with or combined applications for child care assistance, Head Start, Pre-K and Title I.
- 5.3. Continue eligibility in programs with multiple funding sources to assure continuity of care in the event that eligibility has expired or terminated in one program.
- 5.4. Work collaboratively with all public and private programs and funding sources to assure that children receive stable and consistent early child care services.

GOAL 6

Establish customer service outcome goals and set standards to ensure that all families are treated with dignity and respect and are served in an efficient manner.

Action Steps

- 6.1. Provide professional and well-trained eligibility staff who are culturally and linguistically sensitive.
- 6.2. Facilitate quick eligibility determination through reasonable caseloads and/or administrative structure.
- 6.3. Conduct periodic, independent and thorough consumer satisfaction assessments, assuring the confidentiality of information collected.
- 6.4. Provide adequate support for child care resource and referral services.

GOAL 7

Design the subsidy system so that rate structures assure that families receiving child care assistance have access to all types of child care and disallow charges above established co-payments.

Action Steps

- 7.1. States should cap reimbursement rates at no less than the 75th percentile based on a market rate survey conducted every two years that accurately reflects the price of all types of care in communities across the state.
- 7.2. Establish and evaluate reimbursement policies that encourage provider participation and are responsive to family needs.
- 7.3. Prohibit providers from charging above the established co-payments.

GOAL 8

Create partnerships with employers to expand child care assistance for working families.

Action Steps

- 8.1. Educate employers about the bottom line benefits associated with public and private child care assistance.
- 8.2. Enlist business leaders to champion the involvement of southern businesses and to serve as mentors to other businesses.
- 8.3. Provide information to employers on all available tax benefits related to child care assistance, including deductions for donations to tax-exempt child care organizations, capital costs for constructing a child care center and establishing a pre-tax dependent care assistance plan.
- 8.4. Facilitate collaborative initiatives that enable employers to share ideas as well as pool their resources to address child care needs.
- 8.5. Provide matching funds or other tax or financial incentives for employers to invest in child care.
- 8.6. Establish incentives for employers to create child care benefit programs for their employees or to contribute to child care purchasing pools in their state or community.
- 8.7. Reduce the administrative burden on employers participating in any joint public/private child care assistance program.

GOAL 9

Provide child care assistance to working families through federal and state tax laws.

Action Steps

- 9.1. Make the federal child and dependent care tax credit refundable.
- 9.2. Establish refundable child and dependent care tax credits in states with income taxes.
- 9.3. Raise federal and state child care tax credit expense limits to accurately reflect the price of quality care.
- 9.4. Index for inflation the state and federal child and dependent care tax credit income eligibility and expense limits.

- 9.5. Ensure that child and dependent care tax credits are clearly identified and easy to claim by filers using either the short or long form.
- 9.6. Encourage the use of effective state tax strategies to provide financial support for child care.

GOAL 10

States should have effective, coordinated systems to guide child care and early childhood policy decisions and direct use of resources.

Action Steps

- 10.1. Facilitate greater coordination in eligibility policies across child care and early childhood education programs at state and local levels.
- 10.2. All southern states and the District of Columbia should participate in a collaborative effort to develop and collect common data elements across states.

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Table 1
Southern Regional Initiative On Child Care
Goal 1 - Funding
Estimates Of Child Care And Development Fund (CCDF) Eligibility And Receipt

State	Children Eligible If State Eligibility Limits Raised to Federal Maximum of 85% of State Median Income (SMI)	Children Served as Percentage of Potential Eligibles
Alabama	233,300	9%
Arkansas	180,600	5%
Delaware	50,700	12%
District of Columbia	31,500	12%
Florida	705,300	7%
Georgia	485,200	10%
Kentucky	170,200	15%
Louisiana	219,700	16%
Maryland	259,900	8%
Mississippi	185,500	4%
Missouri	305,600	14%
North Carolina	411,400	18%
Oklahoma	191,100	21%
South Carolina	231,000	9%
Tennessee	346,000	16%
Texas	1,161,700	7%
West Virginia	52,700	24%

Source: Southern Institute on Children and Families, December 2000, derived from data in *Access to Child Care for Low-Income Working Families*. U.S. Department of Health and Human Services Administration for Children and Families, October 1999. Estimates are based on average monthly number of children served.

Table 2
Southern Regional Initiative On Child Care
Goal 1 - Funding
Funds Available To Meet The Demand For Child Care Assistance

State	Would your state have the funding to meet the demand if all eligible families applied for child care assistance in your state?
Alabama	No
Arkansas	No
Delaware	No
District of Columbia	No
Florida	No
Georgia	No
Kentucky	No
Louisiana	No
Maryland	No
Mississippi	No
Missouri	No
North Carolina	No
Oklahoma	No
South Carolina	No
Tennessee	No
Texas	No
West Virginia	Not without TANF transition funds

Source: Southern Institute on Children and Families, December 2000, derived from data in *Access to Child Care Assistance: A Survey of Sixteen Southern States and the District of Columbia*. Stoney Associates, September 2000.

Table 3
Southern Regional Initiative On Child Care
Goal 1 - Funding
Estimates Of Child Care And Development Fund (CCDF) Eligibility And Receipt

State	State Eligibility Level as Percentage of State Median Income (SMI) at Initial Application July 2000	Children Eligible Under State Rules October 1997	Children Served as Percentage of Potential Eligibles
Alabama	45%	103,500	20%
Arkansas	69%	100,200	9%
Delaware	52%	22,100	28%
District of Columbia	59%	31,500	12%
Florida	51%	421,900	11%
Georgia	56%	331,200	14%
Kentucky	57%	90,800	28%
Louisiana	75%	219,700	16%
Maryland	45%	91,300	23%
Mississippi	85%	160,000	5%
Missouri	41%	129,400	33%
North Carolina	75%	343,100	22%
Oklahoma	62%	178,800	22%
South Carolina	50%	115,200	19%
Tennessee	60%	183,600	30%
Texas	85%	1,013,400	8%
West Virginia	77%	28,200	46%

Note: Data represent single parent with two children.

Source: Southern Institute on Children and Families, December 2000, derived from data in *Access to Child Care for Low-Income Working Families*. U.S. Department of Health and Human Services Administration for Children and Families, October 1999. Estimates are based on average monthly number of children served.

Table 4
Southern Regional Initiative On Child Care
Goal 2 - State Eligibility Policy
Co-Payment As Percentage Of Income

State	Co-Payment at the Federal Poverty Level (FPL)	Co-Payment at the State Income Eligibility Ceiling
Alabama	11%	12%
Arkansas	0%	27%
Delaware	16%	30%
District of Columbia	6%	20%
Florida	9%	9%
Georgia	3%	13%
Kentucky	8%	10%
Louisiana	16%	20%
Maryland	1%	23%
Mississippi	5%	8%
Missouri	7%	12%
North Carolina	9%	9%
Oklahoma	6%	11%
South Carolina	5%	4%
Tennessee	6%	12%
Texas	11%	11%
West Virginia	4%	7%

Note: Data assume family of three with one infant and one four-year-old in full-time, center-based care.

Federal poverty level (FPL) annual income for family of three = \$14,150 for year 2000. Each year the FPL is adjusted upward to account for inflation by the U.S. Department of Health and Human Services.

Source: Southern Institute on Children and Families, December 2000, derived from data in Access to Child Care Assistance: A Survey of Sixteen Southern States and The District of Columbia. Stoney Associates, September 2000.

Table 5
Southern Regional Initiative On Child Care
Goal 2 - State Eligibility Policy
Provisions For Child Care

TANF Families Employed Or TANF Families In An Approved Training Program		
Guaranteed By Law Or Regulation	Child Care Provided Only If Funds Available	Family Not Eligible
Arkansas Delaware Kentucky Louisiana Mississippi	Alabama District of Columbia Florida Georgia Maryland	Missouri North Carolina Oklahoma West Virginia
TANF Families Looking For Work		
Guaranteed By Law Or Regulation	Child Care Provided Only If Funds Available	Family Not Eligible
Arkansas Delaware Kentucky Mississippi South Carolina	Alabama District of Columbia Florida Georgia Maryland	Missouri North Carolina Oklahoma West Virginia Louisiana
TANF Families Diverted From Cash Assistance		
Guaranteed By Law Or Regulation	Child Care Provided Only If Funds Available	No Diversion Policy
Arkansas Delaware Kentucky	Alabama District of Columbia Florida Georgia Maryland	Louisiana Tennessee
TANF Families In Higher Education		
Guaranteed By Law Or Regulation	Child Care Provided Only If Funds Available	Family Not Eligible
Arkansas Delaware Kentucky Louisiana	Alabama District of Columbia Florida Maryland	Missouri North Carolina Oklahoma West Virginia Georgia Mississippi

Source: Southern Institute on Children and Families, December 2000, derived from data in Access to Child Care Assistance: A Survey of Sixteen Southern States and the District of Columbia. Stoney Associates, September 2000.

Table 6
Southern Regional Initiative On Child Care
Goal 2 - State Eligibility Policy
Provisions For Child Care By Type Of Family

Income-Eligible, Employed Families (Non-TANF)		
Guaranteed By Law Or Regulation	Child Care Provided Only If Funds Available	
No Southern States	All Southern States	
Income-Eligible Families Looking For Work At Initial Application (Non-TANF)		
Guaranteed By Law Or Regulation	Child Care Provided Only If Funds Available	Family Not Eligible
No Southern States	Arkansas District of Columbia Florida Maryland Mississippi	Alabama Delaware Georgia Kentucky Louisiana Oklahoma South Carolina Tennessee Texas West Virginia
Income-Eligible Families Between Jobs (Non-TANF)		
Guaranteed By Law Or Regulation	Child Care Provided Only If Funds Available	Family Not Eligible
No Southern States	Arkansas Delaware District of Columbia Florida Georgia Kentucky Maryland	Alabama Louisiana Oklahoma Texas

Note: Families between jobs could indicate a gap in employment while receiving child care subsidies.

Source: Southern Institute on Children and Families, December 2000, derived from data in *Access to Child Care Assistance: A Survey of Sixteen Southern States and the District of Columbia*, Stoney Associates, September 2000.

Table 7
Southern Regional Initiative On Child Care
Goal 2 - State Eligibility Policy
Provisions For Child Care Related To Education/Training

Income-Eligible Families Attending Education Or Training Program (Non-TANF)

Guaranteed By Law Or Regulation	Child Care Provided Only If Funds Available	Family Not Eligible
No Southern States	Alabama Arkansas Delaware District of Columbia Georgia Kentucky Louisiana Maryland Mississippi Missouri North Carolina Oklahoma South Carolina Tennessee Texas West Virginia	Florida

Source: Southern Institute on Children and Families, December 2000, derived from data in *Access to Child Care Assistance: A Survey of Sixteen Southern States and the District of Columbia*. Stoney Associates, September 2000.

Table 8
Southern Regional Initiative On Child Care
Goal 2 - State Eligibility Policy
Types of Income Disregards Allowed

Child Support	Food Stamps	Loans/Grants	SSI	TANF	Tax Refund/ Credit	None
Florida Maryland Mississippi Tennessee	Alabama Georgia Maryland Mississippi North Carolina Oklahoma South Carolina Tennessee Texas	Mississippi North Carolina Oklahoma South Carolina West Virginia	District of Columbia Georgia Kentucky Maryland Mississippi North Carolina South Carolina	District of Columbia Georgia Maryland Mississippi North Carolina	Georgia Louisiana Maryland Mississippi Oklahoma South Carolina	Delaware

Source: Southern Institute on Children and Families, December 2000, derived from data in *Access to Child Care Assistance: A Survey of Sixteen Southern States and the District of Columbia*, Stoney Associates, September 2000.

Table 9
Southern Regional Initiative On Child Care
Goal 3 - Outreach Initiatives
Steps To Improve Access To Child Care Subsidies

Established Toll-Free Number for Applicants		Expanded Hours Evenings/Weekends	
Yes	No	Yes	No
Alabama Arkansas Delaware District of Columbia Florida ¹ Mississippi North Carolina South Carolina Tennessee Texas	Georgia Kentucky Louisiana Maryland Missouri Oklahoma West Virginia	Delaware District of Columbia Florida Georgia Kentucky Maryland North Carolina Oklahoma South Carolina Tennessee Texas	Alabama Arkansas Louisiana Mississippi Missouri West Virginia

¹ Florida to establish statewide toll-free line effective July 2001.

Source: Southern Institute on Children and Families, December 2000, derived from data in *Access to Child Care Assistance: A Survey of Sixteen Southern States and the District of Columbia*. Stoney Associates, September 2000.

Table 10
Southern Regional Initiative On Child Care
Goal 4 - Simplified Process
State Application Requirements For Child Care Subsidies

Initial Application		Redetermination	
Requires Face-to-Face Interview	Face-to-Face Interview Not Required	Requires Face-to-Face Interview	Face-to-Face Interview Not Required
Alabama Arkansas Delaware District of Columbia Georgia Tennessee West Virginia	Florida Kentucky Louisiana Maryland Mississippi Missouri North Carolina Oklahoma South Carolina Texas	Alabama District of Columbia Georgia Tennessee	Arkansas Delaware Florida Kentucky Louisiana Maryland Mississippi Missouri North Carolina Oklahoma South Carolina Texas West Virginia

Source: Southern Institute on Children and Families, December 2000, derived from data in *Access to Child Care Assistance: A Survey of Sixteen Southern States and the District of Columbia*. Stoney Associates, September 2000.

Table 11
Southern Regional Initiative On Child Care
Goal 4 - Simplified Process
Maximum Frequency Of Child Care Eligibility Redetermination

State	TANF Recipients	Income-Eligible Families
Alabama	6 months	6 months
Arkansas	6 months	6 months
Delaware	12 months if participating in employment activities	6 months
District of Columbia	no limit if eligible for TANF	6 months
Florida	6 months	6 months
Georgia	12 months	12 months
Kentucky	12 months	12 months
Louisiana	6 months	6 months
Maryland	12 months	12 months
Mississippi	12 months	12 months
Missouri	12 months	12 months
North Carolina	12 months	12 months
Oklahoma	12 months	12 months
South Carolina	12 months	12 months
Tennessee	6 months	6 months
Texas	varies ¹	6-12 months ²
West Virginia	6 months	6 months

Note: Data assume no changes in income or employment during eligibility period.

¹ TANF recipients enrolled in CHOICES remain eligible until their CHOICES case is closed by the CHOICES case manager.

² Frequency of redetermination varies by regional boards; most localities determine eligibility every 6 or 12 months.

Source: Southern Institute on Children and Families, December 2000, derived from data in Access to Child Care Assistance: A Survey of Sixteen Southern States and the District of Columbia. Stoney Associates, September 2000.

Table 12
Southern Regional Initiative On Child Care
Goal 5 - Seamless Systems
Automatic Status Of Transfer To Transitional Child Care

State	Transfer Automatic	Transfer Not Automatic	Can recertification be done by phone, fax, mail, email?
Alabama		Recertification required	
Arkansas	Transfer is automatic		
Delaware	Transfer is automatic		All
District of Columbia	Transfer is automatic		
Florida		Recertification required	All
Georgia	Transfer is automatic; TANF worker verifies income and transfers case (no parent interview required)		
Kentucky		Recertification required - conducted by TANF caseworker	All
Louisiana		Recertification required	US mail
Maryland		Recertification required based on income	US mail
Mississippi	Transfer is automatic – TANF caseworker sends “change in TANF status” form to the designated agent		
Missouri		N/A; TANF and income-eligible child care merged; no separate transitional child care program	US mail, fax, phone
North Carolina		N/A; TANF and income-eligible child care merged; no separate transitional child care program	US mail (for signature), phone (for interview)
Oklahoma		Recertification required	US mail, phone (mandatory interview)
South Carolina	Transfer is automatic		US mail, fax, phone
Tennessee		Recertification required within 6 months	
Texas	Transfer is automatic; local boards determine transitional eligibility based on documents provided by TANF caseworker		US mail, fax (for documents), phone
West Virginia		Recertification required if there is a job change	US mail, fax

Source: Southern Institute on Children and Families, December 2000, derived from data in Access to Child Care Assistance: A Survey of Sixteen Southern States and the District of Columbia. Stoney Associates, September 2000.

Table 13
Southern Regional Initiative On Child Care
Goal 6 - Customer Service
Consumer Satisfaction Survey

	Survey Conducted
District of Columbia	Yes, in 1999
Florida	Yes, annually
Kentucky	Limited number of random calls to clients in June 2000
North Carolina	Not statewide, but some counties have conducted them
Oklahoma	Yes, ongoing random sample of clients
South Carolina	Yes, in August, September and October 1999
Tennessee	Yes, in 1999
Texas	Surveys not done at state level, but some localities have conducted consumer-satisfaction surveys

Survey Not Conducted

- Alabama
- Arkansas
- Delaware
- Georgia
- Louisiana
- Maryland
- Mississippi
- Missouri
- West Virginia

Source: Southern Institute on Children and Families, December 2000, derived from data in *Access to Child Care Assistance: A Survey of Sixteen Southern States and the District of Columbia*. Stoney Associates, September 2000.

Table 14
Southern Regional Initiative On Child Care
Goal 7 - Rate Supplements
State Policy On Providers Charging Rate Supplements

Provider Can Charge Rate Supplement	
Yes	No
Alabama	Arkansas
Delaware - if no state contract	District of Columbia
Florida	Oklahoma
Georgia	Texas
Kentucky	West Virginia
Louisiana	
Maryland	
Mississippi	
Missouri - except child protective services	
North Carolina	
South Carolina	
Tennessee	

Source: Southern Institute on Children and Families, December 2000, derived from data in Access to Child Care Assistance: A Survey of Sixteen Southern States and the District of Columbia. Stoney Associates, September 2000.

Table 15
Southern Regional Initiative On Child Care
Goal 8 - Employer Partnerships
Reported Company Benefits For Offering Child Care

- △ 62% reported higher morale
- △ 54% reported reduced absenteeism
- △ 52% reported increased productivity
- △ 37% reported lower turnover

Source: Survey by The Conference Board, New York, 1995.

Table 16
Southern Regional Initiative On Child Care
Goal 8 - Employer Partnerships
Benefit Considered Most Important To Accept A Full-Time Job

Most Important Benefit	Percentage of Recipients
Child Care	48%
Medicaid For Children	32%
Transportation	12%
Food Stamps	6%
Medicaid For Myself	3%
TOTAL	100%

Source: Southern Institute on Children and Families, *A Study of the Relationship of Health Coverage to Welfare Dependency*, March 1994.

Table 17
Southern Regional Initiative On Child Care
Goal 8 - Employer Partnerships
Selected State Initiatives

Florida established the Florida Child Care Executive Partnership Program, forming a public-private partnership between businesses and the state of Florida to increase the availability of child care for low-income working parents. Under the Florida Child Care Partnership Act:

- △ The state matches dollar-for-dollar contributions by employers and local communities for families earning up to 200 percent of the federal poverty level;
- △ Participating businesses receive a tax deduction;
- △ Parents receive care for about one-third the full cost;
- △ More than \$32 million in business and local matching funds has been raised; and
- △ 17,000 children receive child care tuition assistance.

Georgia sponsored a new corporate tax credit to encourage employers to become partners in meeting the child care needs of their employees.

- △ Companies may recoup 75% of their investment in subsidizing child care for their employees.
- △ Companies may recoup 100% of their investment over 10 years in building onsite child care centers.

Texas established the Texas Work and Family Clearinghouse, which is committed to helping Texas employers attract and retain a diverse workforce. Mandated by the Texas Legislature, the Clearinghouse:

- △ Promotes and supports dependent care policies and programs;
- △ Provides information concerning technical assistance, dependent care and other employment-related family issues; and
- △ Funded 15 local business collaboratives and one statewide child care resource and referral project in FY2000.

Table 18
Southern Regional Initiative On Child Care
Goal 9 - Federal/State Tax Laws
State Income Tax Provisions for Child Care

No Provision	Credit/Deduction	Refundable Tax Credit	No Personal Income Tax
Alabama Georgia Mississippi Missouri West Virginia	Arkansas Delaware District of Columbia Kentucky Louisiana Maryland North Carolina Oklahoma South Carolina	Arkansas ¹	Florida Tennessee ² Texas

¹ Only for care for three- to five-year-olds in accredited centers.

² Tennessee taxes only certain non-wage personal income.

Source: National Women's Law Center, 2000, "Making Child Care Less Taxing: Improving State Child and Dependent Care Tax Provisions," Washington DC, as quoted in Southern Institute on Children and Families, December 2000, derived from data in *Access to Child Care Assistance: A Survey of Sixteen Southern States and the District of Columbia*. Stoney Associates, September 2000.

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