

FEBRUARY 2001 WOMEN'S BUREAU CONFERENCE CALL

CHILD CARE FINANCING

Host: Karen Furia, Women's Bureau Regional Director, Region 10

Speakers: Rick Brandon, Senior Research Fellow, Evans School of Public Affairs, Director, University of Washington Human Service Policy Center

Sharon Lynn Kagen, Virginia and Leonard Marks professor of Early Childhood and Family Policy at Teachers College, Columbia University

SUMMARY OF TOPIC

This call focuses on child care financing and the work being done to revolutionize the child care system. Many groups are searching for solutions to help working parents meet their children's early care and education needs. The answer is not a simple one and will involve partnerships and collaboration as part of the solution. What would it really cost to get it right for kids was the rationale behind the goals of this project. *Financing Universal Early Care and Education for Americas Children* project focuses on how to develop a universal financing system for child care that will bring together a broad constituency and convince them to pay for quality care. The other challenge of this project is defining what is universal and how many people will be affected. One of the things the project looked at was other near universal social benefits in the U.S.A. like retirement, health, K-12, and higher education. Each of these programs is a mixture of several different public and private revenue sources, have multiple financing mechanisms and services that meet the needs of different groups. The biggest breakthrough was realizing that when looking at all of these different near universal social benefits there are six financing mechanisms that are key to all of them. The six mechanisms are income related grants or vouchers, provider subsidies, loans, tax preferences, savings accounts and creating credit availability and standards. The model includes the direct costs for children and all of the components that are known to be important like training, regulation, compensation and appropriate governance and administration. There are preliminary results that can give the reader a sense of the task the project is tackling that look at not just the cost of helping families in a static sense but being able to see how it will play out.

KEY POINTS

- Early brain research, welfare reform and the number of women in the workforce has put pressure on States to re-think their commitment to early care and learning.
- To revolutionize the early care and education system it is necessary to look at other near universal social benefits in the United States.
- Multiple sources of financing are necessary for the different needs of individuals and families.

ADVANTAGES/SUCSESSES

- Experts from around the country are working on this issue.
- A model is being developed that costs out the different approaches.
- The model will cover all components and types of care.

DISADVANTAGES/ROAD BLOCKS

- The true cost of care is staggering.
- There is not a lot of up to date information on households, because of the changes that have taken place in the past decade.
- Revolutionizing the system of child care financing will take time.

SPEAKER CONTACT INFORMATION

RESOURCES

- Human Services Policy Center <http://hspc.org>
- The Children's Alliance <http://www.childrensalliance.org/>
- The Governors Commission on Early Learning
- The Children's Defense Fund <http://www.childrensdefense.org/>
- Hands Net <http://www.handsnet.org/>
- Connect for Kids <http://www.connectforkids.org/>
- Social Venture Partners <http://www.svpseattle.org/>
- The Soho Center <http://www.child2000.org/>
- Research Forum on Children, Families, and the New Federalism <http://www.researchforum.org/>
- The Annie E. Casey Foundation <http://www.researchforum.org/>

- Karen Furia, Women's Bureau Regional Director, Region 10 furia-karen@dol.gov

- The Women's Bureau <http://www.dol.gov/wb/>
- Kelly Tyler, Child Care Resources, Business Liaison tyler@childcare.org
- Child Care Resources, King County, Washington www.childcare.org
- Gail Gosney, Child Care Advantages, Employer Liaison GailG@CTED.WA.GOV
- Washington State Child Care Resource and Referral www.childcarenet.org

The Women's Bureau Region X office and Child Care Resources of King County has compiled this "Work and Family Virtual Conference Call Summary Sheet" for information sharing and does not endorse any programs or organizations included in it. These summaries include information on programs and policies that employers have tried or ideas and thoughts that work and work/life professionals have shared.