

CLASP/NAEYC/NWLC
Child Care and Development Block Grant (CCDBG) Act of 2014 Audio
Conference
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HELEN BLANK; NATIONAL WOMEN'S LAW CENTER; DIRECTOR OF CHILD CARE AND EARLY LEARNING: Good afternoon, everybody.

I'm happy to be joined by, Hannah Matthews, at CLASP, and Adele Robinson at NAEYC. If you have any questions during the call, please email Hannah, hmatthews@clasp.org. Again that's, hmatthews@clasp.org.

Let's start with where we are in the CCDBG process. As you know, last March, the Senate overwhelmingly passed a bipartisan CCDBG reauthorization.

Last week, the House took up its version based largely on the Senate bill and passed it under a special rule. The next step would be for the Senate to take up the House passed bill, but last week we hit a snag, unrelated to the content of CCDBG. Senator Toomey, of Pennsylvania, put a hold on CCDBG because he wants a bill on school personnel to be taken up. Many of you tried hard, but he could not be convinced to release his hold on CCDBG.

However, Senate Majority Leader Harry Reid has scheduled a cloture vote on CCDBG for November 13th, when the Senate returns from their election recess.

Through a procedure, referred to as filling the tree, he will not allow any amendments to the child care bill. This should let us move forward to final passage and the President signing the bill. But we won't celebrate fully until that bill is signed. So, we'd like to talk about what's in the House passed bill that the Senate will vote on in November and to highlight some of the differences from the earlier Senate version. We'll start with funding levels.

The Senate bill included such sums language; this left it up to Congress to decide on the discretionary funding level for CCDBG each year.

As a rule, the House will not use such sums language in its bills. So the House bill set forth a recommendation to the appropriations committee for the next six years as follows in its bill.

Flat funding for FY 2015, the year that starts this October 1st. For fiscal year's 2016-2020, authorization levels go up to 2.75 billion, for a total of a 16.5 percent increase. It is important to remember that these levels are not set in stone and Congress does have the ability to appropriate more or less than these amounts. Also, the bills do not address, for jurisdictional reasons, the mandatory funding levels for CCDBG.

We'll talk more about the funding when we discuss next action steps. But now, Hannah, can you talk about the differences in the health and safety requirements, consumer education and training in the House passed bill versus the Senate bill?

HANNAH MATTHEWS; CLASP, DIRECTOR OF CHILD CARE AND EARLY EDUCATION: Sure. Thanks, Helen.

So, both bills require annual inspections of all licensed providers. But the House bill has annual requirements for annual inspections of the license exempt providers who are receiving CCDBG funds. These providers must be inspected for compliance with health, safety, and fire standards at a time that's determined by the state.

We know that there are a number of states not doing annual inspections now, and also not inspecting the license exempt providers. So we know that will be a significant change in many states.

States will have two years to comply with the monitoring requirements. An additional year after that, three years after the enactment of the bill, states would have to make public monitoring reports which also must include substantiated complaints about failure to comply with licensing requirements and the numbers of deaths, serious injuries and instances of substantiated child abuse occurring in child care settings.

The section on consumer education now requires states to make available state policies regarding the social emotional behavioral health of young children, which may include positive behavioral intervention and support models and policies on expulsion of preschool aged children in early childhood programs receiving assistance.

This was added to the health and safety requirements - including providing information on the quality of child care, best practices in child development, information on the availability of developmental screenings and other consumer education information in the Senate bill.

The bill also retains health and safety training requirements for providers, but it eliminated a few standards on hand washing and food handling.

States must report on the number of hours of ongoing training required annually, but does not specify how many hours must be required for providers. Adele, will talk more about the training and professional development work requirements and opportunities for the child care workforce later on.

HELEN: Thank you, Hannah. Can you also discuss what provisions related to access to subsidies are different in the House bill?

HANNAH: Yes. Importantly, the bill retains language from the Senate bill that every child receiving CCDBG will be required to be eligible for 12 months regardless of temporary changes in parent's income or work status. It also requires the state to take into account fluctuations in earnings and for the state to have policies in place for gradually phasing out subsidies for parents who have exceeded state income eligibility at

the time of redetermination. So many states do that now, in the form of tiered income eligibility. All of this will help families retain child care assistance.

It also retains language that the process of redetermining eligibility should not be disruptive to parental employment. The bill encourages states to offer parents receiving child care assistance, at least three months of assistance for job search if they are no longer eligible for assistance at the time of the redetermination. This is something that only four states do now. So a very big opportunity for parents.

The House bill also addresses payment practices as the Senate bill did by encouraging generally accepted payment practices of providers who are not receiving assistance. The House added language that de-links reimbursement rates from absences to the extent that it is possible in a state. As states juggle scarce resources, a number have put in place more restrictive policies regarding whether they pay for absent days. Obviously this is a challenge for low income families to access providers. Children get sick; this leaves providers without necessary resources for their programs and is very different from policies in place in public schools, in head start and in other programs. So, this policy is very important both for providers financial well-being and it may give parents broader access to additional child care options.

The House also added language allowing states to determine rates based on an alternative methodology such as a cost estimation model. This is an area where we know that regulations will have to define further what exactly will be acceptable methodologies.

HELEN: Thanks, Hannah.

Remember, email your questions to Hannah, at hmatthews@clasp.org. Adele, can you touch upon some of the differences in the workforce provisions in the House bill?

ADELE ROBINSON; NAEYC; DEPUTY EXECUTIVE DIRECTOR, POLICY AND PUBLIC AFFAIRS: Workforce provisions and quality provisions appear in multiple places throughout the bill -- allowable uses in both the state plans and the quality set asides.

Let's start with the state plans. First, the state plan must describe training requirements in the effect for providers to promote all domains of development and learning with all providers who receive CCDBG assistance; that was something also in the Senate bill.

And they must offer training to providers on business practices. In addition to training on health and safety in those bills, there's still language that the state must provide assurance that the training will be a progression of professional development, including higher education for the workforce, and that there will be training on best practices and skills to meet the developmental needs of children, and include quality and the stability of the child care workforce. This gives states encouragement for their state professional development systems without using the system's language.

There must also be training on state early learning standards and on special emotional behavior intervention models. Training must be appropriate to the ages of children, dual language learner children, children with disabilities, Native Americans and Native Hawaiians. They must also provide training on nutrition and physical activity. All of this also -- ups the amount of focus that's going to be spent on training for health and safety.

Unfortunately, the language about the workforce is a little weaker in the House passed version than the Senate. The Senate has explicitly mentioned wage incentive and linking to education and credentials. Although this language is not explicitly in the House passed bill, there is nothing there to prevent the continuation or expansion of teaching wages, an initiative in your state or similar programs, much like current laws.

HELEN: Adele, can you also speak on other requirements related to quality?

Many of the recommendations on quality are only recommendations that are not an exhaustive checklist. The Senate bills require the state to take at least two from the list; the House requires at least one. For example, the state has to maintain early learning standards across all domains.

There is language now that wasn't in current law such as preventing the use of child assessment for inappropriate high stakes, such as rewarding or sanctioning providers or assessing programs effectiveness, or denying children's entry to a program. Assessments can and should be used to improve services and instructions. There's a lot of good language on informing parents on quality, including access to developmental screening and to better understanding of quality choices in their community.

The quality set aside percentage itself changed in both bills. It went up to 10 percent in the Senate bill; it goes up to 9 percent in the House bill.

It is 7 percent, which is about the average the states are spending now, despite state requirement of at least, 4 percent. So it goes up to 7 percent for this first full fiscal years one and two, after date of enactment. And then rose to 8 percent in the third and fourth full fiscal years, and then to 9 percent thereafter. So there is clearly a focus on quality.

In addition to that quality set aside, there's a real focus on improving birth to three, with a three percent additional set aside for infant and toddler quality.

As I said, there are many allowable uses under the quality set aside, they are not an exhaustive list and there is a lot of flexibility for your state. Some of the things will seem very familiar because they're what's mentioned in the state plan now -- the improvements that were made to the state plan form that you are now using. For example, there's a range of uses from data, training on positive behavior, training on reaching out to families in cultural and linguistically appropriate ways, better understanding of early neurological development, connecting providers to state and federal financial aid for higher education, and there is language on quality rating and improvement systems. But again, this is not an exhaustive list and you are free to be innovative.

Helen, can you talk about some of the other differences?

HELEN: Thank you, Adele. There's quite a bit of language on coordination in the bill. States have to describe how they are efficiently, to the extent practical, coordinating with other child care and early education programs to obtain full day services for eligible

children. If states choose to do this by combining funds from other programs, they have to describe how they'll use the multiple funding streams together.

The Senate debate, if any of you remember, spent a lot of time on discussing whether there were too many early childhood programs and any overlaps. There were two amendments that required a report on this issue that were adopted. The House passed bill combined those and requires that the Secretary of Health and Human Services with the Secretary of Education conduct an interdepartmental review of all early learning and care programs. They must also develop a plan for the elimination of overlapping programs and then make recommendations for streamlining all of such programs.

Not later than a year after enactment, the Secretary of HHS in consultation with not only the Secretary of Education but the heads of all federal agencies that administer federal early learning and care programs has to submit a report to the HELP and the Education and Workforce committees that outlines the efficiencies that can be achieved, as well as specific recommendations for eliminating overlap and fragmentation among all federal early learning and care programs.

Many of us believe that this is a serious issue as the question of which programs are overlapping and just how many there are -- that are truly early childhood in focus-- is one that we have had numerous concerns about. There has been an ongoing debate and how the federal agencies answer these questions will have significant implications not only for CCDBG, but also other federal programs in the future.

Lastly, the House added language around parental rights and responsibilities that emphasizes the use of certificates or vouchers. Note that it will still be allowable for states to use direct contracts for child care.

It's also important to remember that because the bill does not say otherwise, the states are required to implement the provisions within the times set out in the bill, regardless of whether regulations have been finalized.

As for the pending regulations that we have all been expecting from the Office of Child Care, if the bill is passed by the Senate and signed by the President, we do expect a

revised set of regulations should be necessary, although there are many similarities between the draft regulations that were issued by HHS and the House passed bill.

HANNAH: Helen, before you moved on to next steps, I want to remind everybody that they can email questions to hmatthews@clasp.org.

HELEN: So what are the next steps? We mentioned the cloture vote on November 13th. If we find that there are any challenges involved with this vote, you will hear from us. As of now, things appear on track. After the bill is passed, we have to work hard on funding increases because we all know how much money is important -- not only to the implementation of the bill, but also to fill the many gaps in our current system.

The Continuing Resolution for fiscal year 2015 funding runs out on December 11, and it could be extended depending on the result of the elections. We have to use that period to urge members to increase funding for CCDBG, even though the bill does not authorize an increase in funding for FY 2015. It's still our job to make the case that additional funds are critical to ensure the states can provide high quality child care to children. Let's get the bill enacted and then we can go to work on the funding.

Meanwhile, please make use of the election kit that NWLC has put together and the recent FFYF and other polls to make sure the candidates now running understand that early learning should be a top priority. That election kit is on our website and the First Five Years Fund most recent poll is on their website. In addition, on our website under Strong Start there is a list of other polls that support a new investment in early learning. We will have a transcript and recording of this call that will be available on CLASP, NAEYC, and NWLC's websites.

Now, let's open this up for your questions, remembering to email your questions to Hannah, at hmatthews@clasp.org.

HANNAH: OK. Thanks, Helen. Helen, why don't you answer the first question that we have here, which is, someone would like to know how the issue of mandatory funding can be resolved?

HELEN: We would like it to be resolved with more mandatory funding. If you remember the mandatory funding is set on the Senate side by the Finance Committee and in the House the Ways and Means committee. These committees are also responsible for home visiting and the Children's Health Insurance Program (CHIP). CHIP must be reauthorized into the next year in 2015 and funding for home visiting without the reauthorization runs out early in 2015. So they have two top priorities. We believe child care should also be a top priority and we'll have to see how this goes. In the past they have generally increased mandatory funding when they have reauthorized the TANF program, or actually created the TANF program in 1996. So there's not a precedent of them adding new mandatory funding not connected to a TANF bill. However, we know that funding for child care is absolutely key to serve the many children who have lost child care assistance and to make improvements in quality and to raise rates to providers - - we're very concerned about the fact that only three states pay rates at the 75th percentile of a current market rates survey.

So in addition, to the Appropriations Committees we will be talking to members of the Senate Finance Committee, but remembering the other children's priority that now sit in front of them.

HANNAH: Thank you. We have another question that is related to the process for moving forward. The question is regarding what bill the Senate will be voting on. The House bill was in fact an amendment to -- based on the Senate passed bill. So, on November 13th when the Senate reconvenes, and when they vote, they will be voting on the bill that passed the House bill. We don't anticipate changes; we anticipate that what passed to the House will in fact be the final bill.

We have a question here, Helen, do you want to answer this? There's a question about -- you mentioned that if the bill is enacted the pending CCDF regulations would have to be rewritten, could you elaborate a little bit on that?

HELEN: Sure. When there is new -- a new bill or a new legislation, the administration must issue regulations that accompany the legislation. The draft regulations that the Office of Child Care issued were related to the current CCDBG law. As you can hear from our discussions, many of the provisions in the House and Senate passed bill are

similar to some of the provisions in the regulations. So, they may not differ tremendously, but they do have to go through a process to issue new regulations; and if you remember, the regulations were draft regulations. We had expected the final regulations maybe some time this winter, but that was before the House had passed the CCDBG bill.

So there has to be a new process, we hope that that process is easier because they've already gone through the process of writing the regulations that are now pending, but there'll also be a comment period and we will be asking you to weigh in that comment period. We hope it goes quickly.

HANNAH: Thank you. We have another question about how absences are handled in both the Senate and House bills; whether they are part of the improved payment practices that we mentioned.

We talked a little bit about how absences are delinked from payments. Adele, could you expand on this for folks?

ADELE: So unfortunately, unlike schools and head start and other institutions where you get paid on a per child basis for the whole year, in many places, if the child is absent from the day, the provider can't get paid. So, they didn't move forward by saying that these should not be linked so that the provider -- they understand the provider is still going to have to pay for heat and light and the other children who will be there. And so, they are not requiring, but they are allowing the state to say, you are allowed to pay for that day.

HELEN: And states actually were always allowed to pay for that day. However, as money got scarce during the recession, some of them chose to even further tighten some of their absent policies so that they may have paid for fewer of them. It is a very important issue, but as, Adele points out, it's not mandated that states have to pay for absent days. The bill does give states an important signal that this is a good idea.

HANNAH: And states could think of lots of ways to improve their payment practices. So, thinking about how private paying parents pay, they pay a month in advance, you pay

based on enrollment, not on attendance; you have to pay providers in a timely manner, so these are all the kinds of policies that states can be thinking about to really make that provision come to life in a new CCDBG program.

HELEN: I actually noticed that the bill does require the states pay providers in a timely manner, and I think it reflects how much we need to move in child care to make it a reasonable service for parents and providers because we even have to have language for that. As we know it's a huge issue around the country, it can take weeks, sometimes months, for providers to get paid.

HANNAH: Well, while we wait for the last few questions to come in, I was going to ask Helen to recap where we go from here and particularly the next steps on the money, and then we'll finish up with the last couple of questions.

HELEN: OK. Now remember there is a Continuing Resolution that expires on December 11th, and it could be drawn out. If some of you remember, sometimes we work on appropriations in April, so just be prepared. We think it's very important to keep talking to the members of Congress, especially those running for reelection, about how important early learning is, and to use our election kit. I wouldn't start now with a massive drive for CCDBG increases and other early learning increases in the appropriations. But do talk to them about the importance of investments in early learning.

Once we get the bill signed and once members get back, there can be a big push to expand that figure in appropriations, even though the bill says the authorization level is flat for FY 2015. There is nothing that requires the Congress to provide no increase for CCDBG, although they may use this as an excuse. It's our job to say that children and parents and providers need increased funds for child care now. Remember there was a \$100 million increase for CCDBG, in a bill marked up by the Senate subcommittee for Labor Health and Human Services and education. There were also increases for Head Start and Early Head Start/ Child Care Partnerships, for Preschool Development, Grants and I -- even believe for Part C. So, we're going to be working hard on those increases, once we get the CCDBG bill passed and underway.

HANNAH: OK. Thanks, Helen. We have a couple more questions. The first is; what guidance we can give to states, as they're currently writing their quality improvement plans? This person is wondering whether the state should be thinking about the language in the reauthorization bill; or whether or not ACF would be issuing a new preprint. So, Adele, can you speak to that question?

ADELE: Sure. Well, I think what's very positive about this bill is how much more it reflects the language of the current preprint, which is a lot more language about whole child development, about QRIS, it's reflecting the -- the iterations in the field that improves qualities. I don't know if ACF will revise or change the preprint, but I think that you have to go back and look at the quality set aside and, other than the increase in the percentages of your grant that you must spend and the piecemeal in stature rather than appropriations as a quality separate set aside for infants and toddlers. That the list is not an exclusive list. Just because you don't see something on the list, does not mean that you no longer use your quality dollars for it, and you are only required to do one or more. So there's nothing here that requires you to do a checklist of what's in the reauthorization.

With that said, I can't speak for what will be in the new draft regulations or a new ACF preprint, but this does seem to be a greater match between what you've been doing in submissions to ACF and the statutory language.

HANNAH: I would just add I'm sure that if and when the bill passes the Senate and is becoming law, there will be lots and lots of guidance coming from ACF, in terms of what and how states should be thinking about getting started on implementing the new law.

So, someone asked a question about being able to read all of the reauthorization language on and the comparisons between the two bills. I just wanted to flag for the people that in the email that you got with the confirmation of today's call, there was a link to summaries of both the House and the Senate bill that the National Women's Law Center has on their website. And again, I'm sure there will be additional summaries and comparisons of the bills -- that'll be forthcoming from lots of organizations.

HELEN: Yes, the National Women's Law Center will update our comparison chart currently on our website, that looks at pending regs, current law, Senate introduced bills, Senate passed bill; we think that you probably don't need all those comparisons. So, what we'll definitely have is something to compare the current law to the House passed bill, and possibly the Senate passed bill. But remember the bill hasn't been enacted yet, I think that's really important to say that it is expected to happen next.

HANNAH: We will all be anxiously waiting for November 13th and hope to celebrate then with all of you on the final bill. Those are all the questions that we have now, but if you have additional questions as you take in a lot of information on this call, please feel free to reach out to any of us on this call and we'll try to find an answer to your question.

As, Helen said, we'll all have a copy of the call, transcript and a recording on our websites in the coming days and weeks. So, thanks very much for joining us today. Thanks for all that you've done to move us forward to this point. It's a very, very exciting time. This will be the first reauthorization in 18 years, so, everybody should be celebrating this moment that we are anticipating. So, thanks so much for your hard work and we'll talk to you all soon.

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