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ABSTRACT

This report provides an analysis of public policy issues associated with state and federal child care developments, laws, regulations, and bills. It is intended to aid policy makers, government officials, consumers, and practitioners of child care programs. The report examines three major areas of policy: (1) federal legislative action which culminated in passage of Title XX; (2) regulations which will determine the scope of state-federal implementation of social service legislation; and (3) the proposed Federal Family and Children Services Act of 1975. Discussion includes the impact of legislation and the question of responsibility for delivery of services. Five areas of concern in child care policy are investigated: money (source and flow), eligibility, administration, control, and program quality. Several recommendations directed toward federal and state government branches are made for each of the five policy areas. The appendices, approximately one-half of the report, include statistical data, comments by legislators and excerpts from federal child care regulations. (Author/ED)

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**CHILD CARE AND PUBLIC POLICY**

**A DILEMMA AT ALL LEVELS**

Tom Keating

July 1975

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Claremont Graduate School

Public Policy Studies

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CHILD CARE AND PUBLIC POLICY

A DILEMMA AT ALL LEVELS

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## PREFACE

This position paper is the product of graduate student research in the program in Public Policy Studies of the Claremont Graduate School. The report was generated in the spirit of fulfilling the traditional role of the academic community: that of scholars critically analyzing the society in which they live and, as warranted, offering commendations on present policy practices and, as needed, suggesting constructive recommendations for social change.

Forest Harrison, Chairman  
Public Policy Studies  
Claremont Graduate School

July 1975

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## FORWARD

The public policy issues associated with child care have become increasingly complex and important in the last decade. Efforts to provide child care for those who need and desire it, continue to stir deep feelings about quality, finances, involvement, sponsorship, and eligibility.

This position paper is offered in the spirit of ongoing discussion and decision-making about those public questions.

Many individuals and groups have assisted in the efforts to produce this paper. Special gratitude is extended to each who shall go unnamed in print, but thanked in person.

The production and distribution of the paper was made financially possible by grants from the Trust Company of Georgia and the Haynes Foundation. Continuous institutional support has been provided by Claremont Graduate School.

Responsibility for the content of the positions is my own.

Tom Keating  
Claremont Graduate School

## Federal Introduction

The Federal debate over comprehensive child development legislation has arisen and abated at least two times since former President Nixon called for an expansion of the Federal commitment to child care. In a message to Congress, the former chief executive stated:

"So crucial is the matter of early growth that we must make a national commitment to providing all American children an opportunity for healthful and stimulating development during the first five years of life."<sup>1</sup>

Since that Presidential call, spokespersons for child care legislation have held extensive hearings, documented need, nearly passed a comprehensive bill, and resubmitted a Child and Family Services Act in an effort to increase interest in public child care and eventually to create a Federal law.

However, Federal child care legislation remains either welfare or employment oriented, and the Federal commitment to comprehensive child development legislation, per se, remains diffuse and minimal despite tireless efforts by some legislators. Additionally, the fragmentation of support is further weakened by a dissipation of funding sources and service programs. Federally funded programs touching all areas of early child development number somewhere over two hundred, and no less than "18 different Federal agencies," administer these programs according to one comprehensive analysis of children's programs.<sup>2</sup>

The present arrangement has prompted one state consultant, involved in day to day administration of millions of Federal-State dollars in child care programs to write:

"And yet the system through which funds are allocated, expended, and requested can hardly be called a system at all.... in considering the full range of child care subsidies provided to families at all income levels, it becomes clear that these subsidies are distributed in an extremely inequitable manner. This non-system calls out for constructive change."<sup>3</sup>

One further problem has continued over the half decade of child care debate. Often the child care advocates themselves are not united. They disagree over both principles and details, often seem unwilling to compromise during legislative negotiation, and occasionally lack the coaliscent strength necessary for prolonged legislative battles.<sup>4</sup>

In the midst of this fragmentation, competition, and non-systematic approach to distribution of resources, any coordinated Federal-State-local commitment to comprehensive child care services exists almost by accident. The child and family seem caught within a vicious cycle of endless regulations, uncertain and uncoordinated legislative decisions over funding, and political-economic forces which are so complex as to thwart even the best efforts.

The needs, history, statistics and questions about child care have been amply discussed over the past five years. Therefore, this report is neither a legislative history nor a statistical analysis of costs and various programs. Rather this report provides an analysis of the public policy issues associated with state and Federal child care developments, laws, regulations, and bills. The public policy issues have become entwined inevitably in the political tension between quality and quantity. This report intends to aid policy makers, government officials, consumers and practitioners of child care programs who must decide complex and controversial questions such as:

- 1.) What level of funding will best aid more children and families and be politically and economically possible?
- 2.) What is the role of the states, localities, and a combination of governments in the child care-delivery issue?
- 3.) What is the relationship of the recently passed Title XX to present state and proposed Federal child development legislation?
- 4.) How is eligibility to be determined under future income and welfare criteria?
- 5.) How are parents to be involved?
- 6.) What is the role of public schools, for profit centers, and private money sources in the future of child care services?

In the on-going process of examining the issues, the writer has adhered to the conviction that we must end the total reliance on economic urgency and political power when decisions are made about children. Efforts must be strengthened so those in need may better understand and improve the public policy process.

Every child deserves comprehensive care and national, state, and local support must be given to our children and families. Our nation, as a people, has a responsibility to all children and to strengthen and renew family life. We must devise a universal system of comprehensive, quality care for those who need and want such public support.

### Three Major Points

The analysis in the Federal section of this report is based on three major points. First, no systematic public child care approach exists nationally and Title XX, which regulates the largest child care programs, is aimed at global welfare and employment goals, not comprehensive child development. Second, any examination of child care legislation, be it under the present, fragmented approach, or even under a more unified approach, must investigate five, not just three, public policy issues. The third major point is that under the present circumstances, comprehensive child care services would be improved by adopting constructive changes in each of the five policy areas. In the long run, a Child and Family Services Office at the national level and in each state should be established.



An examination of the passage of Title XX, the probable impact of this law, and the first year regulations especially concerning planning, all lead to the conclusion that Title XX means many states will probably provide fewer services to fewer people, despite changes in definition and scope of eligibility. In fact, Title XX may further impede, rather than enhance, Federal support for comprehensive child care services.

It seems clear that the Federal government has weakened its commitment to social services, including child care, with the passage of Title XX. Fiscal proposals by the Administration, alternations and omissions which changed the intent to Title XX, committee reports, and statements made during the Congressional debates indicate that several child care orientations have been, all but gutted this first year, under the largest single, domestic social service program, Title XX. The Administration and many Congressional representatives have almost abdicated their responsibility to real accountability within a Federal-State-consumer relationship.

States have the administrative burden and responsibility to provide social services. However, the rhetoric of flexibility is meaningless without increased real appropriations. Some states with excessive or high allocations already will probably only be able to fund "in place" programs; some leeway for funding new programs may exist in under allocated states. Planning, like flexibility, is another important dimension. This writer hopes that planning becomes a reality and not a charade after this first year.

Since many child care programs for the foreseeable future must continue to render services under regulations and administrative policies established by Public Law 93-647 (Title XX), this report concentrates on discovering on-going and significant policy issues which affect those concerned with child care.

The main portion of the Federal report develops five public policy issues which are: 1) Money (Source and Flow), 2) Eligibility, 3) Administration, 4) Control, and 5) Program Quality. The present Federal-State situation is characterized by a continuing plethora of child care programs, multiple purposes for child care, lack of a united national child care force, and rigid battle lines divided over the delivery question. The presentation of these five public policy issues cuts across separate agency of interest group viewpoints. Each area examined includes suggested specific actions which various types of policy makers, government officials and child care consumers should take.

Following the discussion of the present situation under Title XX and pending legislation, and after an analysis of the public policy issues, the third major section of the Federal report makes recommendations for present and future policy improvements concerning child care.

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In general, this report concludes that the proposed Child and Family Services Act provides the necessary legislation to initiate comprehensive child care services. A highly placed Office of Child and Family Services within HEW should be responsible for implementation of all developmental child care programs. A variety of sponsors should also exist, and states should firm up their commitment to a Federal-State-child care partnership by establishing an office of Child and Family Services within the executive branch of each state government.

An extensive appendix completes this issue paper. The appendixes document the sources for the policy questions, issues, and recommendations. These documents will be helpful for a future course of action, as well as providing scholarly references for the analysis found within the text.

### FEDERAL SECTION

The Federal section examines three major areas: 1) the Federal legislative action which culminated in passage of Title XX, 2) the regulations which will determine the scope of State-Federal implementation of social service legislation, and 3) the proposed Federal Family and Children Services Act of 1975.

Within these major divisions, the report studies the potential impact of legislation, areas of significance omitted or altered under Title XX, and the critical question of delivery of services in the future. Throughout this analysis the writer has searched for the essential public policy areas which affect any child care program.

### Legislation

The Ninety-Third Congress passed the Social Service Amendments of 1974 just a few hours before adjournment. The passage of these amendments, commonly referred to as Title XX of the Social Security Act, signaled the end of a long period of uncertainty and confrontation between Congress and the Department of Health, Education, and Welfare.

The original bill introduced by Senators Mondale (D-Minn.), Packwood (R-Ore.), Bentsen (D-Tex.), and Javits (R-NY) was intended to "establish a consolidated program of Federal financial assistance to encourage provisions of services by the States."<sup>4</sup> Among the meritorious elements in the bill, the sponsors praised the intent of retaining the 75 percent Federal matching for child care and family services, as well as increases in eligibility and payment standards.<sup>5</sup> During the last two months of the session, the House introduced a companion bill HR 17045, and later the Senate Finance Committee submitted HR 3153 from an earlier session in the form of a substitute. Later still, the House and Senate conferees passed a final version, and the full Senate and House completed passage a few hours before the Ninety-Third Congress disbanded.

Suspension of rules, a controversial Saturday morning meeting, and complex maneuvering characterized the legislative history of HR 17045 during the final days of the session. The Selective Bibliography of this report cites committee and conference reports, public speeches, and debates from the Congressional Record. Since Title XX passed by voice vote, these references contain the primary sources for a more detailed study of Congressional intent and action. Because public policy issues associated with the child care portion of Title XX are emphasized in this report, an additional listing of references about child care from the debates is found in Appendix A.

#### Presidential Action and Impact

Despite some difficulties with the bill, President Ford signed the final version into Public Law 93-647. In his statement upon signing the bill, contained in Appendix B, the President praised the locus of decision making at the State level, and the protection for consumer interests. He wrote: "I regard the social services provisions as a major piece of domestic legislation and a significant step forward in Federal-State relations."<sup>6</sup>

However, a different interpretation emerges when one looks at the impact on many states and the proposed regulations. According to Senator Allen Cranston (D-Calif.) the new Title XX, "in effect converts the 75 percent Federal matching under the social service program... of the Social Security Act to a social services revenue sharing program."<sup>7</sup> Among the sections of the new Social Services Amendments, P.L. 93-647, provides the following: retains the Federal ceiling of \$2.5 billion, prohibits reallocation of unused funds, except a special category for Guam and Puerto Rico, supposedly gives the States more flexibility in defining services, determining recipients, and deciding which agencies to fund. It also changes the eligibility concept from welfare linkage to income and alters the educational component of child care service from mandatory to optional.<sup>8</sup>

As for the major consequences, at least in heavily allocated states, one California official remarked informally that Title XX really put the monkey on the state's back. Another staff person in a state, which still has some monies available, said that Title XX was really a transfer of heat.

Whether Title XX is a friend or fraud the primary question becomes what real increases in appropriations for existing and new programs will match the earlier words of flexibility. Eligibility changes without more programs and services would indicate Congress and the Administration might have dealt social services, including child care under present legislation, a crippling blow. It remains to be seen if the final regulations and implementation of these rules by both Federal and State governments impedes or enhances a real Federal-State-consumer partnership for child care and other social services.

## Federal Regulations for Title XX

Three months after the President signed Title XX into law, the Department of Health, Education, and Welfare proposed regulations for implementation of this new section of the Social Security Act.<sup>9</sup> In the interim between signature and publication, April 14, a series of approximately twenty issue papers were sent out from the Social and Rehabilitation Services office for selective distribution. These thematic pre-regulation papers were intended to elicit responses from specific state and local agency representatives. Well placed lobbying groups were also permitted to comment on such topics as: a) submittal and minimum requirements of a state comprehensive services plan, b) educational services, and c) eligibility determination.<sup>10</sup>

The process of preparation, review, submission and acceptance of the States' comprehensive, annual service program plan was finally set in motion officially and publically with the publication of these tentative regulations. Overall, the regulations carry out some of the intent of Congress. States do have the major responsibility for social services and states will determine the extent of participation in such areas as services, fees, and eligibility. Generally, DHEW has left to the States the burden of making critical policy decisions. While the Federal Guidelines are mainly within Congressional intent, it appears DHEW has limited fiscal sanctions available to them for enforcing several provisions, thus further weakening the Federal role in monitoring the actual use of social service monies.

The issue of privacy also seems a potential source of difficulty since section 228.63 and 228.1<sup>11</sup> seem vague and with few clear limitations. In light of income eligibility, further delimitation and specific safeguards are necessary. The amount and type of information will require limitation, perhaps under separate regulations for Title XX, as well as reexamining and strengthening of section 205.50 of the Public Welfare Code of Federal Regulations.

Fortunately, the regulations do ensure publicity and availability of the State Social Service Plan (sec. 228.33), delegation of authority to determine eligibility by the provider agency pursuant to a written contract (sec. 228.61(d)), inclusion of planning, evaluation, and reporting activities in the services plan (sec. 228.32).

Child/care standards are established reasonably for some ages, but, with problems in the area of infant care (sec. 228.42(2)(B) and for school age children during non-school periods like summer vacation.

The impact of both the general social service provisions and the specific sections that affect child care services seem much less restrictive than earlier enacted or proposed regulations. However, the real question remains as to the impact of Title XX and the regulations on States.

A potential conflict does exist between official regulations and legislation over meeting specified goals and required services, especially for Supplemental Security Income recipients. Too often unless specific, separate services are required for each major goal, an overloading of eligible types or an undercutting of available programs occurs.

In large states like California and Minnesota which have already committed resources, the pressures will be tremendous. Testimony by representatives of these states suggests the nature of the problem.

"And because Minnesota (and California) has reached its ceiling in social service funds, despite lengthening waiting lists, there are no additional funds to expand these services. Title XX's reasonable eligibility levels will have no effect without additional funding."<sup>12</sup> (Emphasis added)

In other states like Georgia that have not already allocated up to their ceiling, the opportunities for directing coordinated services to long-over due recipients seem at hand.

Essentially then, the passage of Title XX means in some states that the same people will receive the same services, perhaps more, but in many states fewer people will receive fewer services unless additional monies are funded at the Federal and State level. Despite the fact that some states and jurisdictions have not spent the amounts they were allocated, the Congress has not been able to implement a redistribution or reallocation provision which would transfer social service funds to states which had reached their ceiling. The likelihood of Federal passage of either a reallocation clause or increase in the ceiling remains unlikely unless committed Congressional leaders follow up earlier pledges. More importantly, the Administration must lend support instead of undercutting efforts with discussion of declining Federal match. In the long run proposed, separate, Federal legislation for child and family services offers a better solution for meeting our national child care needs.

Proposed Federal Bills

Appendix C outlines the significant Congressional and Executive actions since 1968 in the area of child care legislation. A renewal of these efforts took place July 19, 1974, when Senators Mondale, Cranston, Javits and 20 co-sponsoring Senators introduced S 3754 while Representative John Brademas (D-Ind.) and co-sponsors introduced HR 15882. Both bills were titled the Child and Family Services Act of 1974.<sup>13</sup> The Senate Subcommittee on Children and Youth, House Select Subcommittee on Education, and House Subcommittee on Employment, Poverty, and Migratory Labor held two days of joint hearings August 8 and 9.<sup>14</sup>

February 7, 1975, both Senator Mondale and Representative Brademas, and a greater number of bi-partisan co-sponsors reintroduced into the 94th Congress identical legislation under S 626 and HR 2966.<sup>15</sup>

Joint hearings again were held February 20, 21, and March 12-14 in Washington. More hearings are planned for the remainder of 1975.<sup>16</sup>

The Child and Family Services Act of 1975 aims at improving and increasing health, child development, day care, education, nutrition, and other services available to American families for their children. The key elements and principles in the legislation were summarized by the sponsors in the Congressional Record July 11, 1974. These are:

"First, and above all, this legislation is grounded on the belief and recognition that families are the primary and most fundamental influence on children, and that child and family services programs must build upon and strengthen the role of the family. That is why our bill is designed to maximize parent control and strengthen family life... why the programs under this legislation are totally voluntary... why parents whose children are served under these programs will compose at least 50% of the governing boards... and why our bill provides a wide variety of services.

Second, our bill is designed to assure that any services made available are quality services. Programs funded under this act must meet the 1968 Federal Interagency Day Care Requirements...

Third, our bill is designed to make services available to a broad range of families who need them.

Fourth, the authorizations in our bill are designed to provide for a 1-year phase-in for planning and training...

Fifth, the bill provides heavy emphasis on training.

Sixth, the administrative or delivery system in this bill provides that programs would be administered through a system of State and local governmental (prime sponsors)."<sup>17</sup>

The authors also emphasized, "at this point we do not have the final answer to the question of what delivery system is best... We want to develop a system that will insure parental involvement, local diversity to meet local needs, and appropriate State involvement to insure coordination and maximum use of services available."<sup>18</sup>

Senator Mondale also stated that profound and important questions remain unsettled such as: 1) What should be the authorization and appropriation levels? 2) What is the appropriate role of the public schools in the delivery of services; 3) What role should profit making child care programs have? 4) What is the appropriate combination of State and local governments in the delivery and administration of these services?<sup>19</sup>

Despite tireless work by co-sponsors and advocates, the immediate ratification of Federal legislation is unlikely. Implementation of Title XX has been relatively fast, yet, examination of the public policy dilemmas about child care seem to have generated increasing controversy and fractionalization.

### The Delivery Question

The question of delivery -- whether by a diversity of delivery systems or by the public school system -- threatens to stymie if not defeat the thrust for comprehensive, voluntary child and family services.

One answer to the question of who shall be responsible for delivery is stated by Edwin W. Martin, acting Deputy Commissioner, Bureau of Education for the Handicapped, U.S. Office of Education. In the Education Commission of the States Report of an August 1974, National Symposium titled: "Implementing Child Development Programs," Mr. Martin stated four central propositions:

1. "Public policy makers should 'bite the bullet' and begin making a specific decision about where the responsibility for early childhood education services should be lodged.
2. Public policy must be based on the assumption of equal access for all children, and so a public system must be developed based on this 'zero reject' concept. Private agencies can offer alternatives for those who can afford them, or serve as subcontractors for the public agency.
3. A single public agency should be charged with the primary responsibility.
4. That agency should be the public education agency."<sup>20</sup>

Commissioner Martin prefers the schools as the service delivery mechanism because:

"there is a broad local and state fiscal base already extant... there are buildings and the capacity for financing new construction or for remodeling exists... the public education system has the capacity to set standards, certify, regulate... and finally the schools are already moving in the direction of providing early childhood services, particularly in relation to services for handicapped children."<sup>21</sup>

Other spokespersons like Jule Sugarman, Chief Administrative Officer, Atlanta, Georgia, argues that, "there is so much to do that we really need the involvement of everybody. We need the social agencies, we need the health agencies, we need the private non-profit organizations, and I would even argue we need the for-profit organizations, although I do that with some caveats about how they get used. I believe that the job out there (child care) is so tremendous that there is room for everybody (including schools) to be actively involved in it."<sup>22</sup>

The delivery of services question, thus, revolves around who will control day care for infants, toddlers, pre-schoolers and after school children, group and family day care, homemaker services, counseling, foster care, special need children care, health, nutritional, educational, and social services. As the Director of the State Officer for Children in Massachusetts, David Liederman said, "We are talking about a whole range of services, not just building centers for early childhood development programs."<sup>25</sup>

Administratively the task is an enormous one of orchestrating a delivery system that is comprehensive and with a range of services available to every area of a state for all children who need them. Perhaps this has to be done through a single agency in contractual relation with a host of other delivery mechanisms.

Politically the question of who controls that system has resulted in a hardening between two forces. Albert Shanker, president of the American Federation of Teachers, and others seek exclusive sponsorship of child care services by the public schools. Child care advocates, without a unified spokesperson, argue a diversity of sponsors are in the interest of the children, families, and country.

Amidst pros and cons on both sides, a documented realization of the increased need for child care services, and the diverse demands for comprehensive services to families and children, the public policy issues now part of the current program under Title XX and the proposed child care legislation, take on renewed importance.

#### Child Care Public Policy Areas

After decades of documentation, five years of debate, and countless studies, the public policy issue of child development in California and at the Federal level does appear to be at a crossroads. Professional, feminist, worker, poverty, and family forces have formulated the ultimate questions which can be posed in public policy terms.

Will all children, as a matter of right, be guaranteed comprehensive services in publicly supported child care facilities? How and by whom will these services be financed? What agencies or agency will supplement the responsibilities provided in the home, and thus assume the functions heretofore provided by some extended families?

Sometimes the questions are asked: Who will use? Who will administer? Who will pay? In the most simple form, the child care public policy question is: Who gets the kiddies, and who gets the goodies?



We will try to suggest answers to these questions in the next section on public policy areas. Five areas of concern have appeared and reappeared in our research and study of publicly funded child development services. These child care policy issues are: Money (Source and Flow), Eligibility, Administration, Control, and Quality. Some professional child care spokespersons insist that only three public policy areas exist, that is Money, Administration, and Eligibility. We have considered this viewpoint, and we find it appropriate from an agency's perspective, but too narrow from a client's point of view. Therefore, we have examined child care across agency lines, and from our vantage point, we think constructive change should occur in all five areas.

Public Policy Areas: Money

Social service interests, and child care advocates in particular, received a temporary setback when Congressional leaders seemingly traded away two critical monetary provisions during the passage of Title XX: the amendment to increase the social service ceiling and the reallocation amendment.

If efforts continue to decrease the Federal match to 65% in FY 76 and to 50% in FY 77, the States will really "feel the heat." The resulting first year loss would be approximately \$478 million under the proposed Administration's budget. Appendix D documents this change.

Another factor is the decrease in the States' surpluses. In 1973, States faced better times and surpluses exceeded \$9 billion; these have decreased according to one spokesman to \$1.7 billion and the outlook is for further decreases.<sup>24</sup>

Certainly under expenditures, a problem in many States, should not be as great a problem in coming years. Some bureaucratic restrictions have been lifted, and the uncertainty which many States cites as the "cause" of under expenditures has been minimized at least at the Federal level.

Still the new fiscal year from 1 October to 30 September, the trial fiscal year, the first year changeover timetable, and the States' go slow attitude and reluctance to begin preparation of a first year social service plan, indicate that an opportunity for improvement has been lost.

In addition, the forthcoming confusion over maintenance of effort clauses, possible controversy from court intervention over determination of eligibility and partial subsidies by large cities and the State, and unavailable data will continue the patchwork and incremental approach to fiscal policy decisions.

Continued efforts to reinstate the higher ceiling and reallocation clauses are needed at the Federal level. Thorough projections and widespread publication of eligibility by income criteria, location, and type of service are needed. Figures showing money, or net income of families, whether the wife works or not, and by age of children are also important. This data should be disseminated by States before the social service plan is written, and by the Federal government before rewritten plans are undertaken annually.

Concrete alternative and contingency funding measures should now be devised by States and shared with consumers in case the Federal match is reduced. Voucher and vendor payment approaches should be discussed at the appropriate levels, and State plans should be encouraged to implement different untried fiscal approaches on a limited scale.

It is clear, that over the recent past, inflation has eroded the real level of federal activity in the social grant area.<sup>25</sup> The 1975 budget does not permit social grant programs to keep pace with either the price of inflation, or with wages in the public sector. A decline in real levels of spending, and a relaxation of federal controls on these moneys, substantiates a conclusion that Federal support and accountability in this area, which includes social service for day care, is not a priority. Because of this conclusion, the money authorized and appropriated for the proposed child care legislation from all levels must be high enough to counterbalance these ominous trends.

#### Public Policy Area: Eligibility

The most significant change in social service eligibility, including child care, is the change from Federal categorical relatedness of welfare to a State determination of eligibility based on income. Under Public Law 93-647, fifty per cent of Federal monies must be expended on AFDC, Supplemental Security Income, and Title XIX Medicaid recipients or eligibles. Any person who is a member of a family with a monthly gross income which exceeds 115% of the median income for a family of four in a state, and adjusted for family size, is not eligible for services. The remaining funds are available for income groups within the States' allocation which is a proportion of the total Federal monies based on State and national population.

The States have the power to determine who actually receives services, although the Secretary of HEW retains the authority to finally determine income levels for each State. Both income maintenance status recipients and income status recipients may be charged fees, which is also within the discretion of the States, although the Secretary has authority to prohibit such fees. Unless cash assistance in whatever form is really adequate for income maintenance clients to meet their individual and family needs, the effect of fees would be to delete social services, including those to children, an effect which is contrary to the legislative intent.

Accurate program and population projections will be essential since States must develop a plan to incorporate needs into a social service plan and must spend monies to fulfill at least one of the major social service goals.

The present policy question is: What mechanism will States, especially those with all their funds committed under Title IV-A ceilings, use to determine eligibility?

Since eligibility, fees, and free services are all interrelated, and since only internal staffs of agencies usually have the information on income, census data, and geographic distribution, two possibilities emerge. If both base and extended income groups become eligible for free services, either program quality or quantity or both will decrease without more money. On the other hand, if a smaller income group becomes eligible for free services, a greater quantity, and perhaps a better quality, of services may exist at the present funding level.

The choice under present legislation is whether we will serve fewer children more adequately, or more children with what we have, and probably at least in the short run less than adequately. As one views the long term picture, the newly eligible lower and middle class recipients may provide the impetus to obtain better quality now, and eventually, separate adequately funded, child and family services.

#### Public Policy Areas: Administration

December 9, 1974, the late Representative Jerry L. Pettis (R-Calif.) stated that "In essence HR 17045 (later P.L. 93-647) sets forth new ground rules for the States to follow in carrying out their social services programs without increasing the Federal liability or changing the formula for allocation of funds to the States... I frankly cannot recall all (sic) instance in which so many diverse interests have reached such an amicable compromise, and it seems this presents us with a rare opportunity. I strongly hope we seize it."<sup>27</sup> (Emphasis added)

A fortnight later the Social Services Amendments of 1974 passed and the ground rules had indeed changed. However, the "rare opportunity" for States to begin operating social service programs, including child development services, seemed to slip away.

Although passed by Congress December 20, 1974, and signed by President Ford January 4, 1975, several months elapsed before the Department of Health, Education, and Welfare issued regulations. States like California, which have traditionally allocated or nearly allocated their entire Social Service budgets rarely took the initiative to set in motion even the broadest outlines of a public planning process which would decide what services to provide to whom until long after the Federal regulations were published.

Certainly social service recipients and the broadest agency representation could have been encouraged to submit tentative suggestions on such as: a planning process, a public review process, standards against which programs should be evaluated, confidentiality of all types of information, fair hearings, and information and referral services.

In addition, careful analysis of present and proposed program populations under new base and extended income criteria which relates to specific services has not been provided to the public nor to the legislature.

Agencies involved in administering child care services have taken a cautious approach and interagency communication, initiative and involvement during the interim before Federal regulations were published has been lacking in some states, although extensive in a few.

The situation of interagency rivalry for the delivery of children services continues in many states. California's Department of Education, Child Development Program Support Unit, the Governor's Office of Educational Liaison, the designated single state agency, the Department of Health, and proponents for an Agency of Children and Family Services have quadrupled the refrain, "We've got to do what is best for children." Nevertheless when politically experienced officials ask the real question, "Who will administer -- SDE or a new agency?" each governmental unit answers from its own self interest. In fact many state and county officials consider the administration and control areas synonymous, and since one agency already has the responsibility, they consider the question of administration closed.

Because of this reluctance to consider any change from the present two-year contractual arrangement with the State Department of Education in California and because of the agency viewpoint that lumps administration and control into one, we were even more persuaded to divide our public policy areas. We are convinced that the interests of children and families are better served if children's guardians and parents are involved in the planning, operating, evaluating, and monitoring phases of the services they receive.

This argument is actually further strengthened by the agencies themselves since they frequently distinguish between functions and administration. For example, the agency which operates a program would not be the agency which evaluates the program. Even the legislation of P.L. 93-647 lends itself to the division of function and administration. Section 2003(d)(1)(C).

"Each State which participates in the program established by this title shall have a plan... which provides for the designation by the chief executive officer of the State or as otherwise provided by the laws of the State, of an appropriate agency which will administer or supervise the administration of the State's program..."<sup>28</sup> (Emphasis added.)

A further ramification of the administration question relates to separate state agencies providing for services for the blind in Massachusetts, North Carolina, and Virginia. It could be argued that a separate state agency could handle other services if the State desired it. Representative Al Ullman (D-Ore.), Chairman of the House Ways and Means Committee, presented just such an argument in December of 1974.<sup>29</sup>

The future answer to the administration question will vary in each state. Annual social service plans, DHEW approval, and public pressure will determine the final answer. Phrased another way, the administrative question is the issue of the appropriate role of the public agencies, including schools, in the delivery of these services and the appropriate combination of State and local governments in the delivery and administration of these services.

The administration question can be resolved now that states have more responsibility for social services. No matter what administrative mechanism provides for delivery of services, certain standards must be established. Printed in full are those standards suggested by Marian Wright Edelman, Director of the Children's Fund, and board member of the Washington Research Action Project Council, in her testimony before the Joint Hearings held by the Senate Subcommittees on Children and Youth, and Employment, Poverty, and Migratory Labor, and the House Select Subcommittee on Education on the proposed Child and Family Services Act.

"But rather than argue the pros and cons of any one delivery system here I think it might be more useful to list standards based on the objectives of the bill against which you must measure every proposed delivery system.

- 1) Can it provide the full range of services which children and families need?
- 2) Does it assure community decisions about the type of services to be offered, based on a local assessment of needs of children and families in that community?
- 3) Does it give parents the central role in the community's decisions about the types of services to be provided and in the day to day operation of the programs in which their children are participating?
- 4) Is it flexible enough to provide parents and families with real options, including services in a variety of settings, (e.g. in-the-home, in neighborhood facilities, at places of employment)?
- 5) Does it preserve existing community child care institutions (including Head Start projects) and assure opportunity for such institutions to expand and receive funds under this legislation?
- 6) Does it encourage services in settings that support the family and are relevant to the child's own culture and environment, and that are staffed by people from the child's own community, including parents?
- 7) Does it include a funded mechanism for enforcing federal standards?

- 8) Does it provide a mechanism for coordination with other agencies providing services for children in the community -- including those provided through public health, education, and welfare agencies and especially those provided with Title XX and Head Start funds?"<sup>30</sup>

Public Policy Areas: Control

When the Ford administration, through Secretary of Health, Education, and Welfare, Casper W. Weinberger, announced its support of S. 4082, part of which became Title XX, the accompanying press release on October 3, 1974, described a "new Federal-State relationship within which States could more effectively target their social services resources to meet the needs of their own people. The proposed amendments make the State social service program answerable primarily to the States' citizens..."<sup>31</sup>

Through an annual Comprehensive Services Plan, eligibility "would be developed in each State by means of an open planning process with emphasis on citizen involvement." (Emphasis added) The statement continued that "Public accountability to citizens of the State is insured by means of the Federally required open planning process; regular reporting; independent audits; and evaluation."<sup>32</sup>

Senator Mondale, who sponsored the legislation with the whole-hearted endorsement of the Administration, included a summary of the Social Services Act. Part III, "Establishes new requirements for a State to conduct a program planning process to determine the services to be provided and who is to receive such services with primary emphasis on involvement by citizens of a State.... The State is also required to conduct evaluations and provide required reports to HEW and the public."<sup>33</sup> (Emphasis added).

However, by the time final passage occurred the author of the Conference Compromise, Senator Russell Long (D-La) commented that the Federal government would only "require the States to report on the use of their social services funds, but they will not be burdened with excessively detailed reporting requirements."<sup>34</sup>

Meaningful involvement of citizens in the evaluating, monitoring, enforcing and even planning functions were not emphasized because specific sections were deleted or modified in the final bill. A careful study of these altered or omitted areas, including the educational component and Federal accountability, provides further insight into unresolved public policy questions. Appendix E outlines a comparison of responses of several Congressional leaders and exemplifies the differences in value and interpretation placed on these vital areas.

Although Senator Mondale concluded that "strong new provisions to assure public accountability and accountability to the Federal Government for the use of funds,"<sup>35</sup> were reflected in the final provisions, few, if any, specific mandated, annual requirements do appear.

Federal standards for parental involvement now have the force of statutory law, but the question remains how these standards will be implemented and enforced. Appendix F contains the Federal Interagency Day Care Requirements for parental involvement. Still these rarely get programmatic emphasis, enforcement monies, training funds, or agency support. Strengthened though these guidelines are, they remain less rigorous than Head Start provisions, less effective than parent co-ops, and less powerful than trained Title I Parent Councils.

In light of a 1974 report on General Revenue Sharing, which documented major short comings by city governments in the area of citizen involvement,<sup>36</sup> extraordinary action will be called for during these next few years. Consumers of child care must be involved in social service legislation and programs in a manner similar to that proposed under S 626 and H.R. 2966, the Child and Family Services Act of 1975.

Representative Brademas (D-Ind.) stressed parent control and parental involvement in his statement accompanying hearings on those bills:

"The bill assures parent control of the programs operated under the legislation. First, children may be enrolled in the programs providing services only after a written request from their parents or guardians has been received.

Second, the bill requires parental involvement at every stage in the planning, development, and operation of the programs.

Third, parents are to be part of the councils which are required at both the prime sponsor and local program levels.

Finally, parents themselves will choose which services they wish for their children.

So I want to conclude by noting that although the requirements for parental control of programs will not be changed during the consideration of the bill, the other features of the delivery system are not etched in stone."<sup>37</sup> (Emphasis added)

During these same hearings, Marian Wright Edelman also testified on the vital nature of parent involvement.

In the most concrete terms, she stated that "the involvement of parents is critical to the success of child care programs... (Parental involvement) is an essential component of child development... Parents must have a strong voice in determining the policies and practices of any child care program to insure their child's best interests are being met."<sup>38</sup>

We conclude this policy section with the assertion that public accountability necessitates, but is not limited to, specific mechanisms and funded enforcement provisions. A new Federal-State partnership does mean more flexibility for States. It must also mean more coordination, accountability, and citizen participation in a new stewardship shared by consumer and service agency at both State and Federal levels.

Public Policy Areas: Quality

Any judgments of the quality or effectiveness of programs from the Federal perspective require a tentative statement because of the piecemeal funding approach, the last two years of extensive regulatory uncertainty, the absence of finalized Federal regulations, and undefined child development goals since there is no Federal child care law. Under the present situation we must interweave diverse program goals, scope, effectiveness, evaluation, ratios, and staff training into some kind of whole pattern in order to ascertain the quality of child care service:

The primary goals under Title IV-A and now under Title XX are spelled out in the legislation. P.L. 93-647 authorizes appropriations for social services including child care:

"For the purpose of encouraging each State, as far as practicable under the conditions in that State, to furnish services directed at the goal of

- 1) achieving or maintaining economic self-support to prevent, reduce, or eliminate dependency,
- 2) achieving or maintaining self-sufficiency, including reduction or prevention of dependency,
- 3) preventing or remedying neglect, abuse, or exploitation of children and adults unable to protect their own interests, or preserving, rehabilitating, or reuniting families,
- 4) preventing or reducing inappropriate institutional care by providing for community based care, home based care or other forms of less intensive care, or
- 5) securing referral or admission for institutional care when other forms of care are not appropriate, or providing services to individuals in institutions..."<sup>39</sup>

If effective accomplishment of these goals provides an indicator of the quality of the programs, DHEW and State reports could be used in an evaluation. One such report, from the Audit Agency of DHEW entitled Review of Child Care Services Provided under Title IV, Social Security Act, date stamped Nov. 4, 1974, offers an official review of particular aspects and problems.<sup>40</sup> As is often the case, this report reviewed earlier data from 1971-72, yet the report was not issued until 1974 so the data, circumstances, and conditions remain questionable. Nevertheless, follow-up reviews have supported many of the findings.



The Audit Agency report reviewed program administration at the SRS (Social and Rehabilitation Services) and OCD (Office of Child Development) central and regional offices as well as in nine selected States (California, Georgia, Washington, Massachusetts, Michigan, Missouri, New Jersey, Texas, and Virginia).

Problems examined in the report included these three: "1) the measurement of program effectiveness for child care programs, 2) compliance with Federal, State and local child care requirements, and 3) certain aspects of financial management."<sup>41</sup> In the second area the findings revealed that "In all nine States we found that the provisions of the Federal, State, and local requirements were generally not met." In many instances even the basic requirements pertaining to the health and safety of the children were not being met.<sup>42</sup>

Appendix G suggests the state of the art at the time of the survey. Congressional testimony by the Child Welfare League, Director supports the view that the cause of not meeting standards "was that neither Federal agency (SRS or OCD) could bring surveillance and advocacy to bear against practices that were in the short term financial and policy interests of the government."<sup>43</sup>

Certainly since the deletion of section 2003(a-d)(1-3) from the Senate sponsored S 4082, which preceded the final Title XX, and which required an annual report, evaluations, Federal and independent audits, one question should be asked: Will California and other States require program effectiveness data which will require a State agency to substantially upgrade its current program performance and monitoring efforts?

Another aspect of program quality is the educational component of child care services. Senator Allen Cranston (D-Calif.) spoke forcefully during the waning debate over the requirement of education for high quality developmental child care programs: "It is apparent that California's efforts in education-based child care can show the way for a national movement in child care aimed at insuring high quality developmental child care programs that go well beyond simply custodial supervision or babysitting services."<sup>44</sup>

Senator Javits (R-N.Y.) added another dimension to the question of quality child care including an educational component when he said: "I hope the Senate will be most diligent in exercising its oversight responsibilities in this area (the area of alteration of the FIDCR so that education is an optional service) and that we will most carefully monitor the effects of these changes on the quality of services provided to young children under this legislation."<sup>45</sup> (Emphasis added)

Audits, training monies, on-going citizen involvement in planning, and oversight monitoring all will be needed to be added to State and Federal legislation to guarantee quality.

Senator Javits engaged in a short dialogue with Senator Russell Long (D-La.) over the means to directly influence program quality. The two questions and answers are printed in full from the Congressional Record.

Mr. Javits: "So I would like to ask the Senator whether there is anything in the report which would prevent a city, or State or some other political subdivision or an individual or other charitable contribution (check) from trying to add and supplement for the lack of care which may result from the application of this new standard (new adult-child ratios) which by the way is a minimum standard, and I must want to be sure that there could be fed into it improvement from governmental or private sources.

Mr. Long: Yes, they can do that.

Mr. Javits: Nonetheless, is an individual entity or individuals who wish to contribute, cooperate or whatever, wish to help out, they may, there is nothing to inhibit them under the law?

Mr. Long: Nothing whatever."<sup>46</sup>

### Recommendations

In this final section of the position paper, several recommendations are made for each of the five public policy areas. These recommendations are directed to specific governmental branches or departments at the Federal, and occasionally the State level. These actions would further the national commitment to comprehensive child care under the present situation, and hopefully would provide an additional indication of support in the continuous effort to provide quality care to those children and families who need and seek assistance.

### Money (Source and Flow)

1. We support the inclusion by the Federal government of "child care" in the list of activities which can be considered "public service" under revenue sharing funding. State and local officials are strongly urged to seek funds for child care within the Community Development Act and the Comprehensive Employment and Training Act.

2. A review of the public findings of the Comptroller General of the United States shows that of the 219 local governments surveyed, only 52 governments authorized part of their revenue sharing funds for children's programs and activities. Appendix I documents these findings and lists several cities. In the period ending June 30, 1973, about \$15.4 million or a little more than one per cent of the \$1.374 billion authorized by the 219 governments was for children's programs and activities. We encourage all local governments to use an increased per cent of revenue sharing authorizations for purposes related to children.

3. State officials should take special precaution to allocate funds fairly for existing and new child care programs under social service monies from Title XX of the Social Security Act. Any cuts in services by states already at maximum allocation levels should be distributed reasonably and equitably among all social services and not taken primarily from day care and child development services.

4. Continued Congressional efforts must institute a \$4 billion social service ceiling, a reallocation provision, and resist attempts to decrease the Federal-State social service match below the 75%-25% levels. A further national study is needed immediately on the possible consequences of decreased state and local share, and the effects of distribution and cut back of funds.<sup>48</sup> Planned use and reported use records must be checked and publicized by Federal officials so that the consequences are made known.

5. Congress should instate higher authorization levels and full Administration support for the proposed Child and Family Services Act of 1975, especially, since the final appropriation level, increased costs, and economic uncertainties may make the proposed levels ineffective. Furthermore, outlays of public funds must be for a variety of services and must reach more than the exceedingly small proportion of persons who are presently being served.

#### Eligibility

1. All national and administrative officials should formulate a written policy concerning the compromises necessary between "quantity and quality," as related to child and family services. Expedient increasing of expectations, substantial funding alterations, and restrictive regulation changes must not occur without a prior hearing before an on-going Congressional legislative committee for children and family services. We strongly urge more stringent Federal monitoring of State practices, especially in States already at maximum allocation levels.

2. Appropriate DHEW agencies and offices should immediately and significantly improve eligibility ~~guidelines~~ and information collection. Widespread publication of these guidelines from the national level and a compilation of all state eligibility regulations under Title XX should be directed, updated annually, and made available to the public. Furthermore, DHEW should publish a separate comparison of eligibility requirements for states which are allocated to a different degree of completeness.

3. All proposed Child and Family Services legislation should conform with agreed upon and established Title XX and Federal Interagency Day Care Requirements. Eligibility and licensing requirements should be revised so they foster, not impede, quality expansion of programs. We advocate inclusion of low and middle income families with a sliding fee schedule for proposed national child and family services legislation.

4. DHEW should implement increased safeguards in the determination of income status and income maintenance status eligibility. Issues of privacy, data use, priority for services among eligibles, and emergency determination need further regulatory strengthening. Appendix H states the present Code of Federal Regulations applicable to privacy of client information for Public Welfare programs.

#### Recommendation - Administration

1. We support the basic elements, principles, and provisions of the Child and Family Services Act of 1975. Congress must act so this legislation is authorized, funded and in place during the existence of the 94th Congress.
2. The President should initiate strong leadership in the area of Child and Family Service legislation and should support a substantial appropriation for this bill.
3. Federal coordination and consolidation of administrative units and continued funding of effective child development programs should increase significantly. More than a renamed Office of Child Development is needed. The Child and Family Services Act method of administering programs through a system of state and local government "prime sponsors" should be supported. Eventually, a single state agency for children and family services should administer a system of public and private non-profit prime sponsors in each state.
4. Federal agencies should provide technical assistance to state and local offices in order to improve interagency coordination, communication, and increased citizen awareness.

#### Recommendation - Control

1. The Federal government must strengthen its commitment to children and family services since Federal accountability and responsibility in the area of social services has weakened. We recommend a reinstatement of Federal monitoring, auditing, and evaluation of the planned use and actual use of social service funds. Special provisions should be made to monitor the distribution by service and eligibility category of social service revenue sharing monies and those "fungible" general revenue sharing monies.
2. A joint Congressional oversight committee should immediately be created to monitor implementation of the Federal Interagency Day Care Requirements, which now have the force of statutory law, and especially the effects of the optional education requirements, and the states' actual use of these monies to meet these requirements.
3. Local child care advisory councils should initiate state-wide advisory committees for all social services. State support is strongly urged and encouragement of this effort by the provision of data, staff, and meeting some costs should be established.

4. Funding of training monies and the expending of these funds should further the aim of public accountability, open planning and evaluation process, and citizen-client interaction as called for under provisions of Title XX and the proposed Child and Family Services Act.

5. The Child and Family Services Act has set a viable system of parental involvement and control. State agencies should adopt in practice the pledge set out during the Joint Hearings February 22, 1975, by one of the co-sponsors: "... the requirement for parental control of programs will not be changed during our consideration of the bill..."<sup>49</sup>

#### Recommendations - Quality

1. Congressional leadership and national support should be directed to Senators Cranston, Javits, and others who have publically pledged and fought for the reinstatement of education as a mandatory component under the Federal Interagency Day Care Requirements of 1968.

2. DHEW should conduct an on-going study, comparison, and evaluation of all aspects of child care programs funded under and outside the employment-welfare regulations of Title XX.

3. Child care centers should be established or improved so they are economically, racially, and socially heterogenous. However, given the present urban and suburban housing structure, additional means must be provided to accomplish this recommendation.

Employee-employer arrangements as a part of contract negotiations, assistance by local school districts, and restructuring of social service-education delivery mechanisms would further this goal. Workable models should be developed and funded by DHEW and private sources; sustained public support for replication and continuation of successful programs must be given by the executive and legislative branches.

4. State and Federal funds should provide an effective percentage of funds for training in child development, management, administration, how consumers can interact with the State decision-making process, and for on-going systems of monitoring, evaluation, and improvement of standards.

5. A separate agency, not the administering or operating agency, should evaluate any programs under Title XX, all applicable State-Federal systems, and those under the proposed Child and Family Services Act.

In conclusion, this position paper on public policy issues and child care has offered commendations and recommendations in the spirit of ongoing discussion, decision-making, and implementation so that those most honestly affected may become more involved, and so that those with access to the policy process will increasing consult the children and families affected by their decisions.

Appendix A

Child Care References in Debate Over Title XX  
 in Congressional Record, 3 Oct. through 20 Dec. 1974

| <u>Date</u> | <u>Page</u>        | <u>Column</u> | <u>Summary</u>   |
|-------------|--------------------|---------------|--|
| 3 Oct.      | S 18159            | 2             | Child care for working parents reduces welfare rolls.  |
| 3 Oct.      | S 18163            | 2             | Child day care must meet standards to be funded.   |
| 3 Oct.      | S 18164            | 1             | Day or residential care standards mentioned.   |
| 3 Oct.      | S 18164            | 3             | 75% Federal match for child care; higher eligibility, standards, and payments may water down programs. |
| 3 Oct.      | S 18164            | 3             | N.Y. State vs. N.Y. City controversy over funding.   |
| 3 Oct.      | S 18165            | 1             | FIDCR would be applicable.   |
| 10 Oct.     | S 18767            | 2             | Child care is a needed component of any work program.  |
| 10 Oct.     | S 18768            | 2             | N.Y. State and N.Y. City controversy settled in court.   |
| 17 Dec.     | S 21732            | 3             | Different child care staff ratios for under three years.   |
| 17 Dec.     | S 21735            | 3             | Senators have separate views on FIDCR of 1968.   |
| 17 Dec.     | S 21749            | 2-3           | Senator Taft on Staff ratios.  |
| 17 Dec.     | S 21749--<br>21750 | 3-1           | Senator Cranston on bureaucratic restrictions.   |
| 20 Dec.     | S 22523            | 1             | Senator Long on Child Care Provisions.   |
| 20 Dec.     | S 22523            | 3             | Senator Mondale on Child Care Provisions.  |
| 20 Dec.     | S 22525            | 3             | Senator Javits on Child Care Provisions.   |
| 20 Dec.     | S 22525            | 3             | Senator Long on ratios and "trading off" on standards.   |
| 20 Dec.     | S 22526            | 1             | Senator Javits on educational component.   |
| 20 Dec.     | S 22526            | 2-3           | Senator Cranston plans to reintroduce modifications in 94th Congress.                                  |
| 20 Dec.     | S 12584            | 3             | Representative Ullman comments on Senate Standards.  |
| 20 Dec.     | H 12587            | 1             | Representative Schroeder and Representative Ullman differ on costs and child day care.                 |
| 20 Dec.     | H 12587            | 2-3           | Representative Pettis (deceased) on meaningful compromise.   |
| 20 Dec.     | H 12589            | 1             | Representative Abzug concerned with ratios and standards.  |
| 20 Dec.     | H 12590            | 3             | Representative Schroeder very concerned about custodial care.  |

Appendix B

## SOCIAL SERVICES AMENDMENTS OF 1974

Statement by the President Upon Signing the Bill Into Law, While Expressing Reservations About Certain of Its Provisions. January 4, 1975

Although I have signed H.R. 17045, I am pleased with most of its provisions but concerned about others.

The provisions concerning the Federal-State partnership program for social services successfully concludes many long months of negotiations among the Congress, the Department of Health, Education, and Welfare, Governors, State administrators, and spokesmen for producers and consumers. Ending a long impasse, the efforts of all exemplify my call for communication, cooperation, conciliation, and compromise when I assumed the office of President. . . .

I am particularly pleased that this legislation follows a desirable trend in Federal-State relations. It will improve the results of programs previously hampered by unrealistic assumptions of Federal review and control. Those decisions related to local conditions and needs will be made at the State level, while Federal responsibilities are clearly delineated. Indeed, the interests of not only the Federal and State governments, but also producers and consumers are recognized and protected. I also believe that this new legislation significantly improves program accountability and focuses funds on those most in need of services.

In summary, I regard the social services provisions as a major piece of domestic legislation and a significant step forward in Federal-State relations.

PRESIDENTIAL DOCUMENTS: GERALD R. FORO, 1975

Volume 11 - Number 2

Appendix C

Table 1

**CHRONOLOGY OF MAJOR FEDERAL ACTIONS**

**Child Care Development**

| <u>Day</u> | <u>Month</u> | <u>Year</u> | <u>Senate</u> | <u>Legislative</u>   | <u>House</u>  | <u>President</u> | <u>Executive</u>   | <u>HEW/OCD</u>   |
|------------|--------------|-------------|---------------|--|---|------------------|--|--|
| 23         | Sept.        | 68          |               |  |   |                  |  | Federal Interagency Child Care Requirements published. |
|            | Feb.         | 69          |               |  |   |                  | Nixon's Economic Opportunity Message to Congress calls for a "national commitment" for all children during first five years. |  |
| 1          | July         | 69          |               | <u>Ninety First Congress</u><br>Headstart Child Development Act, introduced by Sen. Mondale (D-Minn.) received hearings but no further action and died at adjournment.   | Rep. Brademas (D-Ind.) introduces HR. 13520, Comprehensive Preschool Education and Child Day-Care Act. Seventeen days of hearings held between Nov. 1969 and March 1970. Died without action in full committee. |                  |  | OCD established.                                       |
|            |              | 70          |               |  |   |                  |  |  |
|            |              | 71          |               | <u>Ninety Second Congress</u><br>Subcommittee on children and youth hearings on Economic Opportunity Amendments, 1971 (S. 2007) including Mondale's child development proposals, which were added in "markup" sessions, S. 1512. | Brademas reintroduces child development proposal HR. 6748.  |                  |  |  |
|            | May          | 71          |               |  |   |                  | White House Conference on Children voted "comprehensive family-oriented child development programs as top priority."         |  |
|            | June         | 71          |               | Select Subcommittee on Education endorses HR. 6748, following three days of hearings.  |   |                  |  |  |
| 13         | July         | 71          |               | Full Committee on Labor and Public Welfare receives favorable subcommittee report.   |   |                  |  |  |



MAJOR FEDERAL ACTIONS (Cont. p. 2)

| <u>Day</u> | <u>Month</u> | <u>Year</u> | <u>Senate</u>   | <u>Legislative</u>   | <u>House</u>   | <u>President</u> | <u>Executive</u>   |
|------------|--------------|-------------|---|--|--|------------------|--|
| 30         | July         | 71          | S. 2007 reported to the Senate.   |  | Full Committee on Education and Labor endorses HR. 6748.   |                  |  |
| 9          | Sept.        | 71          | Senate adopts seven amendments to S. 2007, and passes 49-12. Attempt to delete child development provisions by Taft (R-Ohio) defeated 17 yeas to 46 nays. |  | Brademas child development amendments to Economic Opportunity Amendments of 1971, proposed. House approves five and rejects two amendments to the Brademas amendment, which after much debate is approved 186-183. |                  |  |
| 1          | Oct.         | 71          |   | Joint House Senate Conference Committee on Economic Opportunity Amendments of 1971                                   |  |                  |  |
| 29         | Nov.         | 71          |   | S. 2007 and HR. 10351, each with child development amendments is set up. Conference Report presented to both houses. |  |                  |  |
| 2          | Dec.         | 71          | Adopts Conference Report.   |  |  |                  |  |
| 7          | Dec.         | 71          |   |  |  |                  |  |
| 9          | Dec.         | 71          |   |  |  |                  |  |
| 10         | Dec.         | 71          | Senate fails by six votes, 51-36 to override veto of EOA of 1971  |  |  |                  | Nixon veto Economic Opportunity Amendments of 1971, especially objecting to Title V, "Child Development Programs," with nine objections. |
| 17         | Feb.         | 72          |   |  | HR. 12350, OEO child development bill passes.  |                  |  |

MAJOR FEDERAL ACTIONS (Cont. p. 3)

| <u>Day</u> <u>Month</u> <u>Year</u> | <u>Senate</u> | <u>Legislative</u>   | <u>House</u> | <u>President</u> | <u>Executive</u>  | <u>HEW/OCD</u>   |
|-------------------------------------|---------------|--|--------------|------------------|---|--|
| 24 Feb. 72                          |               | Mondale and 13 Democrats co-sponsor a child development bill, S. 3193. Javits (R-N.Y.) and 9 Republicans introduce S. 3228.                        |              |                  |   |  |
| 27 April 72                         |               | Senate Labor and Public Welfare Committee unanimously ordered S. 3617 to be reported and S. Report 92-793 to be printed.                           |              |                  |   |  |
| 16 May 72                           |               | S. 3617, a bill to establish child development programs, and to strengthen and expand Head Start reported.   |              |                  |   |  |
| 20 June 72                          |               | S. 3617 with amendments passes with 73 yeas and 12 nays, 14 not voting, and authorizes expansion of Head Start and establishes child care program. |              |                  |   |  |
| June -<br>Dec. 72                   |               |  |              |                  | No action, thus killing S. 3617, the Comprehensive Head Start, Child Development and Family Services Act. |  |
| 1 May 73                            |               |  |              |                  |   | DHEW proposes new Federal regulation which change the nature, scope, and intent of social service program. |
| Summer 73                           |               |  |              |                  | Congress delays implementation of regulations until 1 Nov. 73.  | DHEW issues revised proposed regulations.  |
| 10 Sept. 73                         |               |  |              |                  |   |  |
| 30 Oct. 73                          |               |  |              |                  |   |  |
| 30 Nov. 73                          |               |  |              |                  | HR. 3153 introduced to resolve issues raised by DHEW regulations for social services.                     |  |
| Dec. 73                             |               |  |              |                  | Senate passes Committee on Finance recommendations to HR. 3153.   |  |
|                                     |               |  |              |                  | House unwilling to agree to Senate version.   |  |
|                                     |               |  |              |                  | Congress invalidates DHEW regulations that had gone into effect 1 Nov. 73.                                |  |

MAJOR FEDERAL ACTIONS (Cont. p. 4)

| <u>Day</u> | <u>Month</u> | <u>Year</u> | <u>Senate</u>   | <u>Legislative</u>   | <u>House</u>  | <u>President</u> | <u>Executive</u>  |
|------------|--------------|-------------|---|--|---|------------------|---|
| 11         | July         | 74          | Mondale introduces S. 3754, a bill to provide services to children and families.  | Joint hearings on Child and Family Services Act of 1974 held by S. Subcommittee on Children and Youth and H. Select Subcommittee on Education. | Brademas introduces Child and Family Services Act of 1974, HR. 15962, same as Mondale bill. |                  | HEW/OCD   |
| 8-9        | Aug.         | 74          |   |  |   |                  |   |
| 3          | Oct.         | 74          | Mondale introduces S. 4082, a new Title XX to the Social Security Act. Bipartisan and Administration support.   |  |   |                  | HEW Secretary Casper Weinberger announced full support and agreement with social services bill. |
| 10         | Oct.         | 74          | Javits introduces S. 4119, a bill to amend Title XI of Social Security Act to raise ceiling and realot unused monies.   |  |   |                  |   |
| 21         | Nov.         | 74          |   |  |   |                  |   |
| 9          | Dec.         | 74          |   |  |   |                  |   |
| 14         | Dec.         | 74          | Finance Committee holds 15 minute notice, Saturday morning meeting on HR. 17045.  |  |   |                  |   |
| 17         | Dec.         | 74          | Cloture on HR. 17045 passes 70 yeas, 23 nays, 7 not voting. Finance Committee amendments in the nature of a substitute also pass, reinstating HR. 3153/73 yeas 74, nays 17, not voting 9. |  |   |                  |   |
| 19         | Dec.         | 74          |   |  |   |                  |   |
| 20         | Dec.         | 74          |   |  |   |                  |   |
| 4          | Jan.         | 75          |   |  |   |                  |   |

Committee on Ways and Means order HR. 17045 reported. Same as S. 4082.

House passes HR. 17045, a new Social Services Bill and refers it to Senate Finance Committee.

HR. 17045 passes both Houses in different form; conference committee established and reports out agreed upon bill in H. Rep. 93-1643.

Final passage of Conference Committee Report in both Houses by voice vote.

Gerald Ford sign Social Service Act of 1974, adding a new Title XX into P.L. 93-647 with comments.

MAJOR FEDERAL ACTIONS (Cont. p. 5)

| <u>Day</u> | <u>Month</u> | <u>Year</u> | <u>Senate</u> | <u>Legislative</u>   | <u>House</u>   | <u>President</u> | <u>Executive</u> |
|------------|--------------|-------------|---------------|--|--|------------------|------------------|
| 7          | Feb.         | 75          |               | Mondale introduces S. 626, Child and Family Services Act of 1975, identical to S. 3754 except dates. | Brademas introduces HR. 2966, identical to HR. 15882 except dates. |                  | <u>HEW/OCD</u>   |
| 20-<br>21  | Feb.         | 75          |               | Joint Hearings on Child and Family Services Act of 1975 held in Washington, D.C.                     |  |                  |                  |
| 22         | Feb.         | 75          |               | Part of Hearings reproduced in Congressional Record.   |  |                  |                  |
| 12-<br>14  | March        | 75          |               | Joint Hearings held on S. 626 and HR. 2966 in Washington, D.C.                                       |  |                  |                  |

Source: Developed by the author.

## Appendix D

## THE FEDERAL PROGRAM BY FUNCTION 121

## EDUCATION, MANPOWER AND SOCIAL SERVICES

(In millions of dollars)

| PROGRAM OR AGENCY   | OUTLAYS     |               |               | Recommended budget authority for 1976 <sup>1</sup> |
|---|-------------|---------------|---------------|--|
|   | 1974 actual | 1975 estimate | 1976 estimate |  |
| <b>Education:</b>   |             |               |               |  |
| Elementary, secondary and vocational education:                                   |             |               |               |  |
| Aid to education agencies . . . . .   | 3,350       | 3,767         | 3,996         | 4,197  |
| Child and human development . . . . .   | 421         | 449           | 481           | 483  |
| Proposed legislation (impact aid and vocational education modification) . . . . . | --          | --            | -255          | -396   |
| Subtotal, elementary, secondary and vocational education . . . . .                | 3,771       | 4,216         | 4,222         | 4,284  |
| Higher education:   |             |               |               |  |
| Student aid and institutional support . . . . .                                   | 1,238       | 1,971         | 2,209         | 2,245  |
| Special institutions . . . . .  | 111         | 133           | 116           | 116  |
| Subtotal, higher education . . . . .  | 1,349       | 2,104         | 2,325         | 2,361  |
| Research and general education aids:  |             |               |               |  |
| Proposed legislation (library services) . . . . .                                 | --          | --            | 11            | 20   |
| Other . . . . .   | 869         | 937           | 828           | 729  |
| Subtotal research and general education aids . . . . .                            | 869         | 937           | 839           | 749  |
| Subtotal, education . . . . .   | 5,989       | 7,257         | 7,386         | 7,394  |
| <b>Manpower:</b>  |             |               |               |  |
| Manpower training:  |             |               |               |  |
| Temporary employment assistance . . . . .   | --          | 350           | 650           | --   |
| Manpower program activities . . . . .   | 1,517       | 2,861         | 2,755         | 2,461  |
| Work incentive program . . . . .  | 340         | 316           | 315           | 330  |
| Federal-State employment service and other . . . . .                              | 448         | 532           | 521           | 511  |
| Emergency employment assistance . . . . .   | 605         | 59            | --            | --   |
| Subtotal, manpower training . . . . .   | 2,910       | 4,118         | 4,241         | 3,302  |
| Other manpower services . . . . .   | 219         | 278           | 301           | 305  |
| Subtotal, manpower . . . . .  | 3,129       | 4,397         | 4,542         | 3,607  |
| <b>Social services:</b>   |             |               |               |  |
| Grants to States for social services . . . . .                                    | 1,472       | 1,972         | 2,064         | 2,067  |
| Proposed legislation . . . . .  | --          | -10           | -478          | -478   |
| Rehabilitation services . . . . .   | 724         | 785           | 806           | 789  |
| Administrative expenses and other . . . . .                                       | 300         | 359           | 343           | 332  |
| Proposed legislation (allied services) . . . . .                                  | --          | --            | 5             | 20   |
| Subtotal, social services . . . . .   | 2,496       | 3,106         | 2,740         | 2,730  |
| Deductions for offsetting receipts . . . . .                                      | -13         | -45           | -45           | -45  |
| Total . . . . .   | 11,600      | 14,714        | 14,623        | 13,636   |

<sup>1</sup>Compares with budget authority of \$13,222 million in 1974 and \$14,577 million in 1975.

Source: The Budget of the United States Government Fiscal Year 1976:  
U. S. Government Printing Office, Washington, D.C., p. 121.

Appendix ESubject

Public Accountability

PL 93-647

Requires the Governor, or other officials as required by law, of each state to publish and make available a proposed comprehensive annual services program at least ninety days before the beginning of the state's services program year. Public comment is accepted for forty-five days and a final plan is submitted thereafter. Since the fiscal year and trail fiscal year will begin on October 1st, this year's plan must be readied by July 1, 1975.

Made very general the requirement that States "make such reports concerning use of Federal social services funds as the Secretary may by regulation provide."

Conference Report, Sec. 2003 (a)

Senator Long

"We will require the States to report on the use of the social services funds, but they will not be burdened with excessively detailed reporting requirements."

CR 20 Dec. 74, S. 22523

Senator Mondale

From Separate Views on the Senate Finance Committee Version of Title XX, the Senator wrote: "We would hope that in conference we might strengthen the Senate passed version to reflect the consensus reflected in S. 4082," to include: "strengthening the process of state planning with open hearings. . ."

CR 7 Dec. 74, S. 21735

Senator Mondale also included a summary of major provisions in the CR 3 Oct. 74. The summary reads part, "The State is also required to conduct evaluations and provide required reports to HEW and the public."

CR 3 Oct. 74, S. 18163

HEW News Release

HEW Secretary Weinberger wholeheartedly endorsed S. 4082 which would "make the State social service programs answerable primarily to the State's citizen through an open planning process with emphasis on citizen involvement."

CR 3 Oct. 74, S. 18164

The Secretary continued, "Public accountability to citizens of the State is insured by means of the federally required open planning process; regular reporting; independent audits; and evaluation."

CR 3 Oct. 74, S. 18164

Comment

- 1) Sections 2003 (a-d) (i-iii) of S. 4082 which insured open planning, reporting, auditing, and evaluation are omitted from P.L. 93-647.
- 2) A public hearing is not required before the state publishes its annual comprehensive social services plan.
- 3) No enforceable provisions are established to guarantee public involvement, participation, and accountability, or to correct abuses found in other revenue sharing programs, particularly in light of the timetable this first year.

Subject

Educational Component

P.L. 93-647

"Educational services in the case of care provided outside the child's home, shall be recommended to the States and not required."

Conference Report, 93-1643  
Sec. 2002 (9) (a) (ii)

Senator Long

"... the conference agreed to a compromise which... provides that the educational component of day care programs is to be recommended rather than mandatory."

CR 20 Dec. 74, S. 22523

Senator Cranston

"... the conferees, unfortunately, acted to eliminate the Federal requirement for an educational component in child care provision... I would strongly urge that, when Congress reconvenes, we give immediate consideration to reinstating all provisions of the Federal interagency day care requirements -- including the mandate for an educational component to be required of all States operating child care programs with Federal funds."

CR 20 Dec. 74, S. 22526

Senator Javits

"I am also concerned about the section of this provision that would eliminate the requirement that the States provide educational services... I hope that the Senate will be most diligent in exercising its oversight responsibilities in this area and that we will most carefully monitor the effects of these changes on the quality of services provided young children under this provision."

CR 20 Dec. 74, S. 22526

Comment

Although the Federal standards are only a minimum and States may have higher requirements, the practical realities are that an educational component requires answers to questions of: cost, training, certification, present state laws, especially in California, the strong position of the American Federation of Teachers, and some local teacher groups who see jobs for presently unhired teachers and future teachers.

Subject

Establishing, Monitoring, and Enforcing Day Care Standards.

P.L. 93-647

Federal Interagency Day Care Requirements are mandatory except education is optional, and some staffing ratios are modified; while for children under three years of age, the Secretary determines the ratios.

Conference Report, 93-164  
Sec. 2002 (9) (A) (ii)

Senator Long

"The conference agreed to have the Secretary of HEW work out regulations for staff ratios for out of home care for children under 3. . . so we are trading off an impractical standard not observed in practice around the country, for what we think is one more feasible, which we hope will be observed."

CR-20 Dec. 71, S. 22523, 22525

Senator Mondale

"And while I regret that the day care standards contained in S. 4082 have been eased with respect to adult-child ratios, I am pleased that for the first time Federal standards for day care involving requirements for parent involvement, health and safety standards, staffing, and the provision of social services to children - now have the force of statutory law. These standards now can and must be enforced."

CR 20 Dec. 74, S. 22523

Mrs. Schroeder

"The Senate day care provisions which turn day care into custodial care and increase child staff ratios for school age children were adopted. . . Yes, inadvertently the Congress is approving a social disaster - institutionalized child abuse now and adult dependency later."

CR 20 Dec. 74, H. 1259

Comment

Child care is an extremely labor intensive service, and since the easiest way to lower cost is by reducing staff qualifications and ratios, the ultimate effect of this change will be determined by the regulations and by the States commitment, over and above those Federal regulations.



Appendix FInteragency Requirements

1. Opportunities must be provided parents at times convenient to them to work with the program and, whenever possible, observe their children in the day care facility.
2. Parents must have the opportunity to become involved themselves in the making of decisions concerning the nature and operation of the day care facility.
3. Whenever an agency (i.e., an operating or an administering agency) provides day care for 40 or more children, there must be a policy advisory committee or its equivalent at that administrative level where most decisions are made. 12/ The committee membership should include not less than 50 percent parents or parent representatives, selected by the parents themselves in a democratic fashion. Other members should include representatives of professional organizations or individuals who have particular knowledge or skills in children's and family programs.
4. Policy advisory committees 13/ must perform productive functions, including, but not limited, to:
  - a. Assisting in the development of the programs and approving applications for funding.
  - b. Participating in the nomination and selection of the program director at the operating and/or administering level.
  - c. Advising on the recruitment and selection of staff and volunteers.
  - d. Initiating suggestions and ideas for program improvements.
  - e. Serving as a channel for hearing complaints on the program.
  - f. Assisting in organizing activities for parents.
  - g. Assuming a degree of responsibility for communicating with parents and encouraging their participation in the program.

12/ That level where decisions are made on the kinds of programs to be operated, the hiring of staff, the budgeting of funds, and the submission of applications to funding agencies.

13/ Policy advisory committees, the structure providing a formal means for involving parents in decisions about the program, will vary depending upon the administering agencies and facilities involved.

Federal Interagency Day Care Requirements 23 September 1968, pp. 14, 15

Appendix G

**Results of the HEW Audit Agency's  
Review of Compliance with Federal  
State and Local Service Requirements**

| <u>States Reviewed</u> | <u>Number of Facilities Reviewed</u>           | <u>Number Not Meeting Child/Staff Ratios</u> | <u>Number Not Meeting Health and Safety Requirements</u> |
|------------------------|--|--|--|
| Massachusetts          | 12   | 0  | 11   |
| New Jersey             | 20   | 8  | 7  |
| Virginia               | 75   | 20   | 17a  |
| Georgia                | 12   | 11   | 9  |
| Michigan               | Compliance waived by SRS Regional Commissioner |  |  |
| Texas                  | 6  | 3  | 5  |
| Missouri               | 40   | 7  | 27   |
| California             | 330  | 123  | 279  |
| Washington             | 112  | 71   | 70   |
| <b>Totals</b>          | <b>607</b>                                     | <b>243</b>                                   | <b>425</b>   |

a Records were not available to permit evaluation of health and safety compliance at 55 facilities.

## Appendix G

ESTIMATED EXPENDITURES AND SERVICES FOR TITLE IV  
CHILD CARE IN THE STATES REVIEWED

(dollars in thousands)

| State         | FY 1971       |                  | FY 1972       |                  | FY 1973       |                  | FY 1974       |                  |
|---------------|---------------|------------------|---------------|------------------|---------------|------------------|---------------|------------------|
|               | Federal Funds | Child Care Years | Federal Funds | Child Care Years | Federal Funds | Child Care Years | Federal Funds | Child Care Years |
| California    | \$35,549      | 33,259           | \$37,932      | 38,635           | \$40,118      | 37,795           | \$42,700      | 40,000           |
| Georgia       | 1,562         | 2,926            | 16,618        | 12,334           | 14,270        | 10,273           | 19,429        | 21,830           |
| Massachusetts | 2,863         | 3,671            | 3,395         | 3,876            | 6,057         | 5,099            | 8,797         | 7,050            |
| Michigan      | 10,500        | 21,679           | 14,229        | 32,736           | 10,853        | 22,843           | 22,650        | 45,012           |
| Missouri      | 1,547         | 3,086            | 1,969         | 2,887            | 1,434         | 2,109            | 2,515         | 3,730            |
| New Jersey    | 1,874         | 2,879            | 4,527         | 3,834            | 7,545         | 5,825            | 12,004        | 8,600            |
| Texas         | 1,417         | 3,290            | 5,232         | 7,221            | 6,397         | 7,385            | 10,566        | 12,550           |
| Virginia      | 1,586         | 4,169            | 2,797         | 10,073           | 3,625         | 12,035           | 7,450         | 24,830           |
| Washington    | 3,402         | 7,915            | 2,425         | 5,993            | 3,491         | 7,071            | 5,100         | 10,000           |
| Totals        | \$60,300      | 82,874           | \$89,124      | 117,589          | \$93,790      | 110,435          | \$131,211     | 173,602          |

Source: Community Services Administration, SRS.

Department of Health, Education, and Welfare Audit Agency  
Review of Child Care Services Provided Under Title IV, Social Security Act, date stamped 4 November 1974.

Appendix H

## Code of Federal Regulations, Title 45 -- Public Welfare

## 205.50 Safeguarding information.

(a) State plan requirements. A State plan under title I, IV--A, VI, X, XIV, XVI, or XIX of the Social Security Act, except as provided in paragraph (b) of this section, must provide that:

(1) Pursuant to State statute which imposes legal sanctions:

(i) The use or disclosure of information concerning applicants and recipients will be limited to purposes directly connected with the administration of the program. Such purposes include establishing eligibility, determining amount of assistance, and providing services for applicants and recipients.

(ii) The State agency has authority to implement and enforce the provisions for safeguarding information about applicants and recipients;

(iii) Publication of lists or names of applicants and recipients will be prohibited.

(2) The agency will have clearly defined criteria which govern the types of information that are safeguarded and the conditions under which such information may be released or used. Under this requirement:

(i) Types of information to be safeguarded include but are not limited to:

(a) The names and addresses of applicants and recipients and amounts of assistance provided (unless excepted under paragraph (b) of this section);

(b) Information related to the social and economic conditions or circumstances of a particular individual;

(c) Agency evaluation of information about a particular individual;

(d) Medical data, including diagnosis and past history of disease or disability, concerning a particular individual.

(ii) The release or use of information concerning individuals applying for or receiving financial or medical assistance is restricted to persons or agency representatives who are subject to standards of confidentiality which are comparable to those of the agency administering the financial and medical assistance programs.

(iii) The family or individual is informed whenever possible of a request for information from an outside source, and permission is obtained to meet the request. In an emergency situation when the individual's consent for the release of information cannot be obtained, he will be notified immediately thereafter.

(iv) In the event of the issuance of a subpoena for the case record or for any agency representative to testify concerning an applicant or recipient, the court's attention is called, through proper channels to the statutory provisions and the policies or rules and regulations against disclosure of information.

(v) The same policies are applied to requests for information from a governmental authority, the courts, or a law enforcement official as from any other outside source.

(3) The agency will publicize provisions governing the confidential nature of information about applicants and recipients, including the legal sanctions imposed for improper disclosure and use, and will make such provisions available to applicants and recipients and to other persons and agencies to whom information is disclosed.

(4) All materials sent or distributed to applicants, recipients, or medical vendors, including material enclosed in envelopes containing checks, will be limited to those which are directly related to the administration of the program and will not have political implications. Under this requirement:

## Title 45 - Public Welfare (Cont. p. 2)

(i) Specifically excluded from mailing or distribution are materials such as "holiday" greetings, general public announcements, voting information, alien registration notices;

(ii) Not prohibited from such mailing or distribution are materials in the immediate interest of the health and welfare of applicants and recipients, such as announcements of free medical examinations, availability of surplus food, and consumer protection information;

(iii) Only the names of persons directly connected with the administration of the program are contained in material sent or distributed to applicants, recipients, and vendors, and such persons are identified only in their official capacity with the State or local agency.

(b) Exception. In respect to a State plan under title I, IV-A, X, XIV, or XVI of the Social Security Act, exception to the requirements of paragraph (a) of this section may be made by reason of the enactment or enforcement of State legislation, prescribing any conditions under which public access may be had to records of the disbursement of funds or payments under such titles within the State, if such legislation prohibits the use of any list or names obtained through such access to such records for commercial or political purposes.

[36 FR 3860, Feb. 1971, as amended at 39 FR 34543, Sept. 26, 1974]

Appendix I

**PROGRAMS FOR CHILDREN**

A total of 52 governments authorized part of their revenue sharing funds in children's programs or activities. These authorizations totaled about \$15.4 million, or a little more than 1 percent of the \$1.374 billion authorized by the 219 governments. Enclosure II briefly describes the programs being funded by revenue sharing. The more significant programs included:

Suffolk County, New York, authorized \$1,953,456 for three programs consisting of \$1,400,356 for payments to foster parents for foster care, \$507,099 for juvenile delinquent institutional care, and \$46,001 for a youth service program.

Riverside County, California, appropriated \$1,226,563 for several projects, including \$577,144 for constructing a juvenile detention hall and \$546,000 for constructing an office building for the juvenile probation department.

Los Angeles County, California, appropriated \$1,062,054 for juvenile probation activities, including \$487,621 for capital improvements at juvenile halls and \$457,450 for capital improvements at several boys probation camps.

Baltimore, Maryland, authorized \$1 million for summer youth activities consisting of \$650,000 for a youth employment program directed toward the disadvantaged and \$350,000 for a recreation program directed toward inner city children and the handicapped.

We do not plan to distribute this report further unless you agree or publicly announce its contents.

Sincerely yours,  
R. F. Keller,  
Acting Comptroller General of the United States

**ENCLOSURE II**

**Local Governments Which Had Authorized Revenue Sharing Funds  
For Programs For Children, As Of June 30, 1973  
(California only)**

| Government                         | Amount authorized |                           | Nature of expenditure           |
|------------------------------------|-------------------|---------------------------|---------------------------------|
|                                    | Capital outlay    | Operation and maintenance |                                 |
| Fresno County, Calif. . . . .      | 50,000            |                           | Schools (air-conditioning)      |
|                                    | 22,413            |                           | Juvenile hall                   |
| Los Angeles County, Calif. . . . . | 487,621           |                           | Juvenile halls                  |
|                                    | 457,450           |                           | Boys camp (probation)           |
|                                    | 76,888            |                           | Juvenile courts building        |
| Riverside County, Calif. . . . .   | 624,132           | 40,095                    | Youth foundation                |
|                                    | 546,000           |                           | Juvenile halls                  |
|                                    | 31,300            |                           | Probation (juvenile office)     |
|                                    | 1,502             |                           | Juvenile court                  |
|                                    |                   |                           | Youth center                    |
| Sacramento County, Calif. . . . .  | 200,000           | 23,629                    | Summer youth program            |
|                                    |                   |                           | Children's receiving home       |
|                                    |                   | 5,250                     | Summer camp                     |
| San Diego, Calif. . . . .          |                   | 440,000                   | Summer youth program            |
| Santa Clara County, Calif. . . . . |                   | 50,000                    | Summer youth employment         |
| Tulare County, Calif. . . . .      | 75,000            |                           | Juvenile hall, site development |
| Ventura County, Calif. . . . .     |                   | 125,000                   | Summer youth employment         |

Note: After June 30, 1973, funds could be reauthorized for other purposes before expenditure. Some governments authorized revenue sharing funds already received, as well as anticipated receipts. In such cases, the amounts shown above represent a proration of the amounts appropriated, to reflect appropriations of funds received through June 30, 1973.

## FOOTNOTES

<sup>1</sup>U.S., President, The President's Message to Congress, "The Nation's Antipoverty Programs," Weekly Compilation of Presidential Documents 5, no. 8, February 1969, 285.

<sup>2</sup>California, State Department of Education, Child Development Programs Support Unit, Staff Working Paper #1, 1974, Footnote (1) of Appalachian Regional Commission, Federal Programs for Young Children (Washington, D.C., 1970), p. 3.

<sup>3</sup>California, State Department of Education, Child Development Programs Support Unit, "Staff Working Paper #1," April, 1974, 2.

<sup>4</sup>Interview with Jack Duncan, Counsel, House Committee on Education and Labor, Select Subcommittee on Education, Education Daily 29 January 1975.

<sup>5</sup>U.S., Congress, Senate, Senator Javits, Social Services Act of 1974, 93rd Cong., 2d sess., 3 October 1974, Congressional Record, 120: 18164.

<sup>6</sup>U.S., President, Presidential Documents, "Social Services Amendments of 1974," Weekly Compilation of Presidential Documents 11, no. 2, 4 January 1975, 20-21.

<sup>7</sup>U.S., Congress, Senate, Senator Cranston, 93rd Cong., 2d sess., 17 December 1974, Congressional Record, 120: 21749.

<sup>8</sup>U.S., Congress, House, Conference Report, H. Rept. 93-1643 to Accompany H.R. 17045, 93rd Cong., 2d sess., 12522-92530.

<sup>9</sup>U.S. Department of Health, Education, and Welfare, Proposed Rules Implementation of Title XX of the Social Security Act 14 April 1975, Federal Register 40, no. 72.

<sup>10</sup>U.S. Department of Health, Education, and Welfare, "Issue Papers on Title XX Packet," 17 March 1975, Social and Rehabilitation Service, 9 attachments sent to writer.

<sup>11</sup>Appendix H contains the 45 CFR 205.50 sections on safeguarding information. Appendix B contains President Ford's remarks on privacy within other sections of P.L. 93-647.

<sup>12</sup>U.S., Congress, Senate, Edwina L. Hertzberg's testimony before third joint hearing of the Senate Subcommittee on Children and Youth, the House Select Subcommittee on Education, and the Senate Subcommittee on Employment, Poverty, and Migratory Labor on the Child and Family Services Act of 1975 (hereafter referred to as Joint Hearings on C.F.S. of 1975 or 1974), 94th Con., 1st sess., 18 March 1975, Congressional Record, 121: 4169

<sup>13</sup>U.S., Congress, Senate, 93rd Cong., 2d sess., 11 July 1974, Congressional Record, 120: 12157-12168.

<sup>14</sup>Joint Hearings on C.F.S.A. of 1974 on 53754, 93rd Cong., 2d sess., 8 and 9 August 1974. Copies of the transcripts of this two day hearing are available at U.S. Government Printing Office.

<sup>15</sup>U.S., Congress, Senate 94th Cong., 1st sess., 7 February 1975, Congressional Record, 121: 1636.

<sup>16</sup>U.S., Congress, Senate, 94th Cong., 1st sess., 7 February 1975, Congressional Record, 121: 1639

<sup>17</sup>U.S., Congress, Senate, 93rd Cong., 2d sess., 11 July 1974, Congressional Record, 120: 12158.

<sup>18</sup>Ibid., 12159.

<sup>19</sup>U.S., Congress, Senate, 94th Cong., 1st sess., 7 February 1975, Congressional Record, 121: 1639.

<sup>20</sup>Joint Hearings on C.E.S.A. of 1974, "Public Policy and Early Childhood Education: A Buddhist Garden," address by Edwin W. Martin, Acting Deputy Commissioner, Bureau of Education for the Handicapped, U.S. Office of Education, Report no. 58, 19-23, Education Commission of the States December 1974, 368-372.

<sup>21</sup>Ibid.

<sup>22</sup>Joint Hearings on C.F.S.A. of 1974, "Organizing to Deliver Services: Alternative Approaches," Panel Moderator Jule Sugarman, Chief Administrative Officer, Atlanta, Georgia, Report no. 58, 24-31, Education Commission of the States December 1974, 373-380.

<sup>23</sup>Ibid., David Liederman, Director, Office for Children, Massachusetts, Report no. 58, 34-38, December 1974, 383-387.

<sup>24</sup>Education Daily, (Washington, D.C.: Capitol Publishing, Inc.) February 24, 1975.



<sup>25</sup>Barry M. Blechman, Edward M. Cramlich, and Robert W. Hartmen, Setting National Priorities, The 1975 Budget (Washington, D.C.: The Brookings Institution, 1974), p. 40.

<sup>26</sup>Social Services Amendment of 1974, P.L. 93-647, U.S. Code Congressional and Administrative News, 88, Statutes 2337, (St. Paul, Minnesota: West Publishing Co.), 30 January 1975, 7382-7410.

<sup>27</sup>U.S. Congress, House, 93rd Cong., 2d sess., 9 December 1974, Congressional Record, 120: 11417.

<sup>28</sup>Social Services Amendments of 1974, Statutes at Large, 88, sec. 2003, 2344 (1975).

<sup>29</sup>U.S., Congress, House, 93rd Cong., 2d sess., 9 December 1974, Congressional Record, 120: 11416.

<sup>30</sup>U.S., Congress, Senate, 94th Cong., 1st sess., 22 February 1975, Congressional Record, 121: 2428.

<sup>31</sup>U.S. Congress, Senate, "HEW News," 93rd Cong., 2d sess., 3 October 1974, Congressional Record, 120: 18163.

<sup>32</sup>Ibid.

<sup>33</sup>U.S., Congress, Senate, "Summary of Social Services Act of 1974, 54082, 93rd Cong., 2d sess., 3 October 1974, Congressional Record, 120: 18163.

<sup>34</sup>U.S., Congress, Senate, 94th Cong., 1st sess., 20 December 1974, Congressional Record, 121: 22523.

<sup>35</sup>Ibid.

<sup>36</sup>Patricia W. Blair, Director of Analysis, General Revenue Sharing in American Cities: First Impressions (Washington, D.C.: National Clearinghouse on Revenue Sharing, 1974), Preliminary Findings 3-8. In the area of Citizen Involvement, the survey from 60 localities, found neither broad nor deep citizen involvement, lack of information, and ambivalent, not usually helpful, official attitudes toward involvement. The document is available for \$1.00 at 1785 Massachusetts Avenue, NW.)

<sup>37</sup>U.S., Congress, Senate, 94th Cong., 1st sess., 22 February 1975, Congressional Record, 121: 2426.

<sup>38</sup>Ibid., 2427.

<sup>39</sup>Social Services Amendments of 1974, Statutes at Large, 88, sec. 2003, 2344-45 (1975).

<sup>40</sup>U.S. Department of Health, Education, and Welfare, Audit Agency, Review of Child Care Services Provided under Title IV, Social Security Act, Audit Control number 13-50009, (Washington, D.C., 1974) 1-51.

<sup>41</sup>Ibid., 6.

<sup>42</sup>Ibid., 7.

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<sup>44</sup>U.S., Congress, Senate, 93rd Cong., 2d sess., 20 December 1974, Congressional Record, 120: 22526.

<sup>45</sup>Ibid.

<sup>46</sup>Ibid.

<sup>47</sup>U.S. Department of Health, Education, and Welfare, Proposed Rules Comprehensive Manpower Program and Grants to Areas of High Unemployment 7 March 1975, Federal Register 40, no. 46, section 94.4 (++) 10836.

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