8³⁰ child care

8 15 - 9 15 am
456-2561
~~456-2561~~
or 456-6777
~~456-2565~~
#1753

17

Nicole R. Rabner

01/26/2000 02:36:39 PM

Record Type: Record

To: Ann O'Leary/OPD/EOP@EOP, Ruby Shamir/OPD/EOP@EOP, Katharine Button/WHO/EOP@EOP

cc:

Subject: child care conf call

Just so we all have the information, below are the people and groups I would recommend that we include if we have a conference call on child care tomorrow. Ruby, let's discuss what paper/tps we need to produce for HRC's briefing book if we do this.

List for Conference Call

Marian Wright Edelman
Children's Defense Fund
(202) 662 -3787
202-628-0931

Helen Blank
Children's Defense Fund
(202) 662-3547

Mark Ginsberg - 202-639-7030
National Association for the Education of Young Children (NAEYC)
(202) 237-8777

Adele Robinson - 202-396-7282
National Association for the Education of Young Children (NAEYC)
(202) 237-8777, ext. 627

Yasmina Vinci -
c/m National Association of Child Care Resource and Referral Agencies (NACCRRA)
(202) 393-5501 matt blair x126

Mr. Sandy Newman Exec Dir chris owens 301-589-8541
vm Fight Crime, Invest in Kids
(202)~~638-0690~~ 776-0027 x101 crt rate to CA. → Pub Policy Dir Brendan Fitzsimons David Botts- x112

Duffy Campbell
c/m National Women's Law Center
(202) 588-5180
until Jan 31
Shana Hilton

Judy Appelbaum
l/m National Women's Law Center
(202) 588-5180

Sammy Moshenberg
National Council on Jewish Women
l/m (202) 296-2588
Lynmiller 645-4048 x 152 or Susan Katz

Sarah Greene Diane Fabien
l/m National Head Start Association 703 739 7555
(703) 684-3831

Faith Wohl Fogine
l/m Child Care Action Campaign
(212) 239-0138 x201

Joan Lombardi
l/m Yale University
(703) 660-6711

Philanthropy 17
8:30 - 9:30
~~456-~~ 6799
~~-~~ 218
456-6799
456-2565 # 1753

THE CLINTON-GORE ADMINISTRATION
ENSURING AFFORDABLE, ACCESSIBLE AND SAFE CHILD CARE

January, 2000

President Clinton's FY 2001 budget includes a comprehensive child care initiative to address the struggles our nation's working parents face in finding child care they can afford, trust and rely on. Through unprecedented tax relief and subsidy support the President's balanced budget includes a package of proposals to help working families pay for child care, improve the safety and quality of care, and promote early learning.

Today, More Than Ever, Working Families Struggle With Child Care. Today, the number of children with parents that work outside of the home is higher than ever before. In 1996, three out of four mothers with young children worked outside of the home, compared to one in four in 1965. Additionally, studies have shown that that child care expenses are often the second or third largest item in a low-income working family's household budget, and that the availability of child care subsidies enables more low-income parents to work. During the Clinton-Gore Administration funding for child care has more than doubled. Despite these efforts, many eligible children do not receive assistance. In FY 1999, states provided child care assistance to approximately 1.75 million children, or only 12 percent of the roughly 15 million low-income children eligible for assistance under federal law.

The President's Initiative Significantly Expands Access to Quality, Affordable Child Care and Early Learning Programs by:

Proposing the Largest Head Start Expansion in History. The President's budget boosts funding for Head Start by $1 billion – the largest funding increase ever proposed for the program -- to provide Head Start and Early Head Start slots to approximately 950,000 children, nearing the President's goal of serving one million children in 2002. Head Start is our nation's premier early childhood development program preparing low-income children for a lifetime of learning and development by providing early, continuous and comprehensive child development and family support services. Early Head Start, created by the Clinton-Gore Administration in 1994, brings Head Start's successful comprehensive services to families with children ages zero to three and to pregnant women, and works to enhance children's overall development and enable parents to be better caregivers of and teachers to their children. Since 1993, this Administration has already boosted funding for Head Start by 90 percent.

Helping Low-Income Families Afford Child Care. The President's budget expands the Child Care and Development Block Grant to help working families struggling to afford child care. The President's budget request will increase funding for child care subsidies by $817 million in FY 2001, enabling the program to serve nearly 150,000 more children next year. These new funds, combined with the child care funds provided in welfare reform, will enable the program to serve over 2.2 million children in 2001, an increase of nearly one million since 1997. The block grant is part of the Child Care and Development Fund, the primary federal subsidy program that helps families pay for child care, thereby enabling low-income parents to work. Today, millions of families who are eligible for assistance with their child care costs do not receive any help; in

1999, only about 12 percent of the 15 million low-income children eligible for assistance under federal law, received subsidies.

Assisting Over 8 Million Families with Child Care Expenses. The Child and Dependent Care Tax Credit (CDCTC) provides tax relief to taxpayers who pay for the care of a child under 13 or a disabled dependent or spouse in order to work. In his FY 2001 budget, President Clinton is proposing to expand the Child and Dependent Care Tax Credit by making it refundable for families who earn too little to claim the credit today, but who also do not feel the full benefit of child care subsidies; increasing the credit for families earning up to $60,000; and helping stay-at-home parents meet their added expenses. The President's budget includes $30 billion over 10 years, benefiting over 8 million families with their child care expenses and includes:

- **Making the Tax Credit Refundable for Nearly Two Million Working Parents.** Many low-income families with significant child care costs currently are not eligible for the maximum Child and Dependent Care Tax Credit (CDCTC). A typical family of four with an income below $25,000 does not have any income tax liability and thus is not eligible for much-needed relief from their often-significant child care expenses. To help these low-income families, the President is proposing to make the CDCTC refundable. This proposal, when combined with the President's other CDCTC expansion proposals, will provide an average tax cut of $902 to help offset the costs of child care. For example, a single mother who has one child, earns an annual salary of $15,000, and spends about $2,400 per year on child care, will receive a tax credit of $1,200, an increase of $817 over current law. The President's budget proposal to make the Child and Dependent Care Tax Credit refundable will assist nearly two million families.

  how big is my tax cut

  max you could get back — is that all new $, mostly new

- **Greater Tax Relief for Child Care to 4.4 Million Working Families.** The Child and Dependent Care Tax Credit is equal to a percentage of the taxpayer's employment-related expenditures for child or dependent care, with the amount of the credit depending on the taxpayer's income. The President is proposing to increase the credit for families earning up to $60,000, providing an additional average tax cut of $249 for these families and eliminating income tax liability for nearly all families with incomes below 200 percent of poverty that claim the maximum allowable child care expenses. For example, a family of four with an annual salary of $35,000, and child care expenses of $3,100, would receive a tax credit of $1,395, an increase of $775 over current law. The President's Child and Dependent Care Tax Credit expansion proposal will assist over four million working families paying for child care.

- **Providing Tax Relief to Parents Who Stay at Home.** The President believes that we should support parents in whatever choice they make for the care of their children. Therefore, he is proposing to enable parents who stay at home with children under one to take advantage of the Child and Dependent Care Tax Credit by claiming assumed child care expenses of $500. The President's budget will provide an average tax cut of $154, benefiting almost 2 million parents.

Creating New Child Care Tax Incentives for Businesses. To encourage employers to provide child care services for their employees, the President is proposing the creation of a new tax credit to businesses that provide child care services for their employees, such as building or expanding child care facilities, operating existing facilities, training child care workers, or providing child care resource and referral services. The credit covers 25 percent of qualified costs (and 10 percent of resource and referral service expenses), but may not exceed $150,000 per year per business. The President's budget includes $1.4 billion over 10 years for this tax credit.

Promoting Early Learning. High quality early childhood programs can significantly improve children's success in school, boosting grade retention, achievement, and even high school graduation rates. To ensure that children have access to early childhood programs that promote their cognitive development, the President's budget includes $3 billion over five years for the Early Learning Fund to help improve child care quality and early childhood education for children under five years old. The Early Learning Fund will provide community grants for activities that foster cognitive development, improve child care quality and promote readiness for school. Resources could be used, for example, to help child care providers get training or certification, support licensing or accreditation of child care facilities, and reduce child-to-staff ratios -- factors associated with positive developmental outcomes for young children.

Supporting High-Quality Early Childhood Educators. The President's budget includes $30 million to ensure that well-trained professionals are teaching our young children. We know that the training and education of early childhood educators and caregivers are directly related to the quality of the early education they provide, and the quality of their service, in turn, is directly related to children's readiness for school. As a result, early childhood educators with more education and training provide the higher-quality language stimulation and literacy experiences that are critical for children's success in schools. The Early Childhood Professional Development initiative will provide competitive grants to local partnerships that provide professional development for teachers such as universities, local school districts that provide pre-school, and child care providers such as Head Start. The initiative would focus on equipping early childhood educators with the tools they need to help children develop the language and literacy skills that are the foundations for academic success.

Encouraging the Pursuit of Higher Education by Offering College Campus Based Child Care. To encourage low-income parents to pursue higher education, the President's budget includes $15 million – a $10 million increase over last year's funding level -- to provide an additional 150 college campuses with grants to support the establishment or expansion of child care services. States may also use a share of the Child Care and Development Block Grant for this purpose.