

Approved: _____

Date

MINUTES OF THE SENATE COMMITTEE ON PUBLIC HEALTH AND WELFARE

The meeting was called to order by Chair Sandy Praeger at 10:00 a.m. on January 20, 1994 in Room 526-S of the Capitol.

All members were present except: Senator Jones - Excused
Senator Lee - Excused

Committee staff present: Norman Furse, Revisor of Statutes
William Wolff, Legislative Research Department
Emalene Correll, Legislative Research Department
Jo Ann Bunten, Committee Secretary

Conferees appearing before the committee:
Christine J. Ross-Baze, Director, Child Care Licensing and Registration Section, KDHE
Representative Ellen B. Samuelson, Kansas State Legislator
Ron Hein, Topeka attorney

Others attending: See attached list

SB 546 Briefing

Staff briefed the Committee regarding **SB 546** that was inadvertently referred to the Senate Public Health and Welfare Committee, and the Chair asked the Committee if they would like to have the bill withdrawn or reported adversely. After Committee discussion, Senator Langworthy made a motion the Committee recommend **SB 546** be reported adversely, seconded by Senator Papay. The motion carried.

Hearing on SB 451 - Child care providers and maternity centers; child care policy; fees; registration and licensure.

Staff briefed the Committee on **SB 451** which was the result of proposed legislation from the Joint Committee on Children and Families. Committee discussion related to registered family day care homes and the issue of the recommended number of children that could be cared for in the homes changed from six to not more than four. The bill also recommended those children who reside at the home be less than 12 years of age and would count toward that limitation. It was noted that if the home is a licensed day care home, up to 10 children could be cared for with some limitations.

Christine J. Ross-Baze, Director, Child Care Licensing and Registration Section, KDHE, appeared before the Committee and submitted written testimony in support of the concepts of **SB 451**. Ms. Ross-Baze noted that the department is supportive of the desired outcome of the child care policy that families be able to fulfill their roles as primary child care givers and educators of young children by having access to high quality, affordable child care. The department has been working on revising the child care statutes and will be requesting introduction of an agency bill detailing proposed amendments to KSA 65-501. (Attachment 1)

Fiscal impact of **SB 451** was noted, and in answer to a member's question, Ms. Ross-Baze commented that the department believes that the majority of registered homes that would become licensed be estimated at 50% which would result in 2,189 homes requiring inspection with a \$192,632 fiscal impact. In regard to the number of complaints on child abuse in registered homes compared to licensed homes, Ms. Ross-Baze noted they don't have statistics on that yet, but would be able to obtain information on enforcement action taken on registered homes and licensed homes. She noted that because of community awareness and licensed homes being more visible, there are more child abuse cases reported with licensed homes than registered homes. It was also pointed out that when complaints are lodged with local units of government, those complaints are passed on to KDHE

CONTINUATION SHEET

MINUTES OF THE SENATE COMMITTEE ON PUBLIC HEALTH AND WELFARE, Room 526-S
Statehouse, at 10:00 a.m. on January 26, 1994.

Representative Ellen B. Samuelson appeared before the Committee in support of **SB 451** and presented a written outline of the bill as well as excerpts from a report of the Joint Committee on Children and Families to the 1994 Kansas Legislature. (Attachment 2)

In regard to members' concern regarding the issue of lowering the number of children from six to four in registered homes, Representative Samuelson noted that the goal the Joint Committee on Children and Families hoped to accomplish was to improve the quality and safety of the children that are cared for in the homes. The Joint Committee had not heard from a lot of child care providers on that specific issue, but a number of providers that she had talked to indicated they would become licensed homes in order to take care of six or more children.

Introduction of bill

Ron Hein, Topeka attorney, requested introduction of a bill relating to licensing dietitians. Senator Hardenburger made a motion the Committee recommend introduction of the proposed legislation, seconded by Senator Ramirez. The motion carried.

The meeting was adjourned at 11:00 a.m.

The next meeting is scheduled for January 25, 1994.

GUEST LIST

COMMITTEE: SENATE PUBLIC HEALTH & WELFARE

DATE: 1-20-94

[illegible]

State of Kansas

Joan Finney, Governor



Department of Health and Environment

Robert C. Harder, Secretary

TESTIMONY PRESENTED TO

THE SENATE PUBLIC HEALTH AND WELFARE COMMITTEE

BY

THE KANSAS DEPARTMENT OF HEALTH AND ENVIRONMENT

SENATE BILL 451

Thank you for allowing me to present testimony today on Senate Bill 451. The Joint Committee on Children and Families is commended for their work on developing a framework and direction for a child care policy for the State of Kansas.

The Department of Health and Environment is supportive of the desired outcome of the child care policy that "families be able to fulfill their roles as primary child care givers and educators of young children by having access to high quality, affordable child care." The principles, outlined in Senate Bill 451, which are to guide the state child care policy are well developed and comprehensive. Further, the Department is supportive of outcome measures required of state agencies implementing the child care policy in evaluating progress towards specified goals.

There has not been a comprehensive review of the child care licensing statutes since they were first enacted in 1919 and a number of amendments in Senate Bill 451 are designed to remove archaic language, reduce duplication, provide for consistency in the use of terms, update definitions and update statutory language. The Department acknowledges the need to update these statutes. Concurrently, the Department has been working on revising the child care statutes and has made similar changes as proposed in Senate Bill 451 as well as additional changes that are designed to facilitate the timely and efficient processing of regulatory and enforcement actions, remove duplication, define regulatory authority more concisely and define and use terms consistently throughout the section. The Secretary will be requesting of this committee next week, introduction of an agency bill detailing proposed amendments to KSA 65-501 et seq. The Department will incorporate into the agency bill, proposed amendments in Senate Bill 451 that are consistent with the statutory changes recommended by the Department.

The Department's child care regulatory program is committed to quality care by reducing the risks of predictable injury and illness to children in out of home child care through the development and enforcement of minimum requirements for the healthy, safe and developmentally appropriate care of children. One of the main contributing factors to quality care is group size. Smaller group size allows for more one-to-one interaction, intimate knowledge of individual children and consistent caregiving. Direct, warm social interaction between adults and children is also more common and more likely with lower child staff ratios.

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Attachment - #1*

1-20-94

Smaller numbers of children are easier to supervise and the public health risks associated with communicable diseases and intentional and unintentional injury is also lessened. Children thrive better in smaller groups. Larger groups are associated with less positive interactions and less positive developmental outcomes for children.

Prior to 1980, all day care homes were licensed and inspected by the Department. In 1980 the statutes were amended to allow for the registration of family day care homes based on the registrants self assessment that their home was safe for child care. The registered family day care home program continues to be a self assessment program. The Department does not provide routine regulatory oversight to ensure that minimum requirements are being met. The Department only conducts visits to registered family day care homes if there has been a complaint. When the Department has conducted complaint inspections, the registered home is rarely in compliance with rules and regulations even though the registrant has attested to being in compliance. The surrounding states, Colorado, Nebraska, Missouri and Oklahoma do not have self assessment programs. These states conduct inspections on all day care homes required to be regulated.

The reduction in the number of children allowed in a registered family day care home from 6 children to 4 children will limit the number of children allowed in the self assessment program and reduce the predictable risks associated with caring for larger groups of children. If registered homes care for more than 4 children they will need to become licensed. Licensing these homes will have a fiscal impact for the Department as annual inspections will be required. The ability to conduct annual inspections will increase the Department's ability to assess compliance with minimum standards for the healthy, safe and developmentally appropriate care of children. The requirement of informing parents of the regulations for registered family day care homes will increase parental awareness and will likely result in an increase in the number of complaints of noncompliance. With the increase in regulatory oversight and the consumer education provided to parents whose children are in registered care, overall compliance with baseline quality should increase.

The increase in fees for the registered family day care homes generated by Senate Bill 451 will raise additional revenue for the State General Fund. The Department requests that revenue generated by the increase in fees be used to provide additional funding for the Department's child care licensing and registration program so that program outcomes can be met timely and effectively. In addition to the proposed changes to the number of children allowed in a registered day care home the Department anticipates continued growth in the number of facilities needing to be regulated, impart, due to the influx of federal dollars targeted for the development of additional child care facilities and for the purchase of child care for SRS clients. The last increase in fees was in 1987.

The Department supports the concepts presented in Senate Bill 451. There is a fiscal impact calculated as follows:

Fiscal Impact:

- 1) The reduction in the capacity of a registered family day care home from 6 children to 4 children will likely result in registered providers becoming licensed to care for children. The registration program is a self assessment program. The licensing programs require inspections by the local health departments. It is estimated that this will increase the routine workload for the local health departments by 8 hours for every registered home that becomes licensed as a result of this change. If 50% of the current registered providers become licensed this will result in 2,189 homes X 8 hours = 17,512

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hours. If the average wage for a licensing surveyor is \$11.00/hour the impact will be \$192,632.

Fiscal Impact Aid To Local grants \$192,632

This change will also have a long term fiscal impact as the licensing programs continue to grow. In the last two fiscal years the licensed day care home program grew 23%. This percentage will likely increase with the movement of registered homes to the licensed day care home category. In FY 93, 7% of the registered homes move to the licensed day care home category.

- 2) The requirement to give a list of requirements to parents and to keep a signed copy on file at the registered home will increase KDHE printing costs. Estimates are based on a two page front and back form ordered in batches of 10,000. A more detailed parent booklet will have a greater fiscal impact.

Fiscal Impact \$2,500

- 3) The proposed increase in fees for registered providers will increase the amount of funds going to the state general fund from this category of child care. The annual fee is currently \$5.00 and the proposed change is a \$15.00 fee. There are currently 4,369 registered homes. Estimating 4,500 registered providers X \$10.00 increase = \$45,000 additional dollars (Conservative estimate).

Fiscal Impact \$45,000

Presented by:

Christine J. Ross-Baze, Director
Child Care Licensing and Registration Section
Bureau of Adult and Child Care
January 20, 1993

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STATE OF KANSAS



TOPEKA
—
HOUSE OF
REPRESENTATIVES

COMMITTEE ASSIGNMENTS
CHAIRMAN: JOINT COMMITTEE
ON CHILDREN & FAMILIES
MEMBER: EDUCATION
PUBLIC HEALTH AND WELFARE

Date: January 20, 1994

Re: SB451, a Child Care bill by Joint Committee on Children and Families

Chairman Praeger, members of the Senate Public Health and Welfare Committee,

I have provided for you a copy of the section on child care from the 1994 Report of the Joint Committee on Children & Families. (Section 2, pg. 10)

In July, 1992, the Kansas Legislature received a technical assistance grant from the Child Care Project of the National Conference of State Legislatures (NCSL). As part of this effort, in January, 1993, NCSL contracted with Stoney Associates to provide intensive, state-specific research on and analysis of the Kansas child care subsidy system. The Joint Committee on Children and Families received the report from Stoney Associates at our August meeting.

The authors of the Stoney report made several recommendations for the Legislature as outlined in Section 2 page 12. The bill before you responds in part to the first two recommendations.

Senate PH & CW
Attachment # 2
1-20-94

1. Establish clear service priorities and policy goals.
2. Support data collection and child care supply building.

Committee received testimony from a variety of child care providers, child welfare advocates, and state and local entities either directly or indirectly involved in child care issues. The purpose of those hearings was to identify gaps in public policy regarding access, quality, and affordability of child care.

We completed our study of child care at the October and November meetings at which time we articulated a desired result of child care policy in Kansas and seven principles that should guide development and implementation of policy in order to achieve that outcome. The desired outcome of child care policy is: that families are able to fulfill their roles as primary child care givers and educators of young children by being able to access high quality, affordable child care. The seven principles that are to guide development and implementation of child care policy address the following issues: Family self-sufficiency, investment in children, consumer orientation and education, accessibility, affordability, diversity, and efficient coordinated administration and support for infrastructure. You might note that in SB451 there is additional description of each principle. (New Section 1(a) (1 thru 7). The outcome articulated also is to be used to guide state agencies' development of

outcome measures,

The Committee recommended a single piece of legislation, SB451, that would implement several recommendations. The bill:

1. Includes a statement of the desired result of state child care policy and seven principles that are to guide development and implementation of state policy to achieve that outcome. (New Section 1)

2. As a means of improving the quality, reduces the number of children who can be cared for in a registered family day care home from six to four; also would require KDHE to develop a sign-off sheet for parents who take their children to registered family day care homes; purpose is to ensure that parents know what requirements the home must meet in order to maintain its registration. (Sections 17 & 19)

3. Increases child care license and registration fees sufficiently to at least cover those costs associated with automated improvements in the licensing process and provision of licensing information. (Sections 8 & 19)

4. Amends child care licensure statutes to update terminology as a means of assisting parents to make wise child care decisions. (The Remaining Sections)

The committee spent considerable time with the child care issue, especially New Section 1. We recommend the bill for your favorable consideration.

SELECTED JOINT COMMITTEES

EXCERPT FROM:

**Report of the
Joint Committee on Children and
Families
to the
1994 Kansas Legislature**

Chairperson

Representative Ellen Samuelson

Vice Chairperson

Senator Lana Oleen

OTHER LEGISLATIVE MEMBERS

Representative Jo Ann Pottorff
Representative Thomas A. Robinett, Jr.
Representative Patricia H. Pettey
Representative Kathleen Sebelius
Representative Judith K. Macy
Representative Joann Freeborn
Representative Douglass Lawrence

Senator Sherman Jones
Senator Carolyn Tillotson
Senator Christine Downey
Senator Sandy Praeger

December, 1993

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JOINT COMMITTEE ON CHILDREN AND FAMILIES

INTRODUCTION

The Joint Committee on Children and Families was established pursuant to enactment of 1992 H.B. 2690 (K.S.A. 1992 Supp. 46-2001), a bill recommended by the 1991 Joint Committee on Children's Initiatives. The Joint Committee on Children and Families, by statute, is composed of 13 members, eight from the House and five from the Senate. The act includes provisions regarding party affiliation of members and designation of the chairperson and vice-chairperson. The Committee is authorized to introduce legislation. The provisions of the act expire on July 1, 1997.

CHARGE TO THE COMMITTEE

The Joint Committee is charged by the act to perform the following duties:

evaluate annually progress in implementing the recommendations contained in the report of the 1991 Special Committee on Children's Initiatives and recommend any actions appropriate to carry out those recommendations;

make recommendations, introduce legislation, and take such other action as appropriate to carry out the recommendations contained in the report of the 1991 Special Committee on Children's Initiatives and to otherwise improve the status of Kansas children and families;

coordinate and cooperate with the Kansas Commission on Children, Youth and Families, established by the Governor's Executive Order No. 91-145, to avoid duplication and maximize efforts;

make recommendations to the House Committee on Appropriations and the Senate Committee on Ways and Means regarding funding of programs to carry out the recommendations contained in the report of the 1991 Special Committee on Children's Initiatives; and

report to the Legislature on or before December 31 each year any findings and recommendations concerning Kansas children and families which the Joint Committee deems appropriate.

The Committee is specifically directed in statute to address the following recommendations contained in the report of the 1991 Special Committee on Children's Initiatives:

oversee the development of specific outcome measures for all state programs providing services for children and families, for use by state agencies and the Legislature to assess program effectiveness;

study and recommend to the Legislature an amount to be established as the minimum income necessary to provide an adequate standard of living for Kansas families with dependent children and evaluate yearly progress toward assuring that minimum income for all such Kansas families; and

review personnel policies and employee benefits of the Legislature and state agencies and recommend revisions to make them supportive of families and their children.

1993 COMMITTEE ACTIVITIES SUMMARY

The Committee met on June 30, July 1, August 4-5, September 8-9, October 7-8, November 8-9 and 30, and December 1. All meetings were held in the Statehouse in Topeka except the November 9 meeting which was held at the Northcentral Regional Juvenile Detention Center in Junction City and the Flint Hills Job Corps Center outside Manhattan.

Target I in the *Blueprint for Investing in the Future of Kansas Children and Families* developed by the 1991 Special Committee on Children's Initiatives is "greater support to children and their families." All topics studied by the Committee during the 1993 interim can be included under the rubric of Target I. Certain topics were studied in greater depth by the Committee during this interim. Those topics include child support enforcement, out-of-home child care, minimum income levels, and welfare reform. Other topics reviewed by the Committee this interim were included by way of follow-up to work begun in prior years or because of their recent emergence as important issues. Those topics include family courts, juvenile justice, job training, outcomes measures, and teen pregnancy prevention.

This report summarizes the 1993 Joint Committee's activities and recommendations to the 1994 Legislature. Committee recommendations include those for appropriations in accordance with the Committee's statutory responsibility. Finally, the report includes information on the status of legislative action to implement the *Blueprint*.

Copies of memoranda prepared for the Committee by Legislative Research staff may be obtained from the Kansas Legislative Research Department. Written testimony submitted to the Committee is part of the Committee minutes. Copies of minutes and written testimony may be obtained from Legislative Administrative Services.

CHILD CARE

BACKGROUND AND COMMITTEE ACTIVITY

In July, 1992, the Kansas Legislature received technical assistance from the Child Care Project of the National Conference of State Legislatures (NCSL). With support from the Carnegie Corporation of New York and the Foundation for Child Development, the Child Care Project offers legislative leadership training and research services on a range of early childhood policies, in addition to on-site technical assistance in improving state child care financing systems. As part of this effort, in January, 1993, NCSL contracted with Stoney Associates to provide intensive, state-specific research on and analysis of the Kansas child care subsidy system. The Joint Committee on Children and Families received the report from Stoney Associates.* A copy of the report may be obtained from the Kansas Legislative Research Department or from the Corporation for Change.

The Stoney report noted that a number of new federal funding streams have been created in recent years to support child care services for current and former public assistance recipients and employed, low-income families. By 1991 Kansas had received over \$17 million of new federal funds for child care in slightly over three years.

In Kansas, the lead agency for the Child Care and Development Block Grant, and for most other federal child care funds, is SRS. The examination of child care policy in Kansas conducted by Stoney Associates focused on child care services subsidized by SRS and on SRS administrative policies and procedures.

The Stoney report described each child care grant program administered by SRS, the Department's administrative policies and procedures, and the KsCares system that was being developed during the study. KsCares is an automated child care record keeping system. The name of the system is an acronym for Kansas System for Childcare and Realizing Economic Self-Sufficiency. The purpose of the system is to meet the federal JOBS program requirement and to automate the work program and child care programs of Employment Preparation Services in SRS. The system is designed to eliminate manual preparation of reports, provide a faster and more efficient payment process, provide an automated referral process from Income Maintenance, provide more accurate funding of programs, generate notices, enable client tracking, and conduct eligibility determination. All of these functions are to provide higher quality services in a more productive manner. The program is scheduled to be fully functional in all parts of the state in May, 1994. SRS estimates that the total system development cost will be \$6.8 million, 61.5 percent of which will be financed with federal funds.

The focus of the Stoney report was to determine the extent to which SRS policies, procedures, and systems "... support 'seamless' services, i.e., a child care delivery system which offers continuous child care assistance as families move from public assistance to self-sufficiency." (Stoney, page 2) The report examined four factors to determine whether Kansas has a seamless system:

First, the mechanism used to pay for child care subsidies is examined to ensure that funds are able to follow the child to whatever program is chosen. Second, the rules, regulations, and procedures which govern each of these funding streams are reviewed to ensure that they are consistent and allow families to move from one funding stream to another without disrupting the child care arrangement. Third, the administrative structure is examined to ensure that the documentation required of parents and providers, and the procedures required of caseworkers, support seamless services. Fourth, the

* Louise Stoney and Dennis Zeller (1993). *Improving the Kansas Child Care System: A Report Prepared for the Kansas State Legislature and the Corporation for Change*. Stoney Associates Human Services Consulting: Albany, N.Y.

fiscal management structure is reviewed, with the goal of establishing a system which has the capacity to encumber or otherwise reserve funds and can easily shift families from one funding stream to another based on the availability of funds and the most advantageous funding mix. (Stoney. page 2)

The examination also assessed the extent to which families who participate in the SRS subsidy system are able to choose from a range of child care options and select care they feel is most appropriate.

Based on telephone interviews with 15 child care providers from various parts of the state, the authors found that low reimbursement rates were the most frequently cited barrier to provider participation in the SRS subsidized child care system. The SRS subsidy was reported to be below the cost of providing care, and several providers reported that because of the difference between cost and reimbursement, they had limited the number of subsidized children they accepted.

SRS has a policy that prohibits child care providers from charging parents the difference between the SRS rate and the private fee. The consultants concluded that such a policy prevents subsidized parents from being priced out of the market, but may result in a smaller pool of providers from which those families may choose. They also concluded that limited provider participation resulting from low reimbursements may lead to limited choices for those families receiving SRS subsidies. The consultants recommended that SRS raise the child care reimbursement rate ceiling to the federally allowed maximum in order to alleviate some problems caused by the current level of reimbursement.

Early in FY 1994 SRS changed the basis for calculation of provider reimbursements from a daily rate to an hourly rate. The change of methodology caused considerable concern for some child care providers and was a subject of controversy during the summer and fall of 1993 when the Joint Committee was examining the state's child care system. The consultants found that the fear on the part of providers was that the policy change would adversely impact programs and further widen the gap between the actual cost of care and the reimbursement rate. The Stoney report summarized the problem presented by the change:

Because of strict staff to child ratios and the difficulty of developing a staffing pattern which can support flexible attendance, many child care centers do not offer part-day care. The center cannot afford to pay staff if they are not guaranteed full attendance, or at least full parent fees. In these cases, parents may elect to use the center part-time, but they must pay a full-time rate. Other centers have developed part-time schedules, but because of staff to child ratios, these schedules are fairly rigid. A part-time rate might, for example, cover a 7:30 a.m. to 1:00 p.m. or 1:00 p.m. to 6:30 p.m. schedule. Children who attend within these schedules would be charged a part-time rate. A child who attends from 11:00 a.m. to 3:00 p.m. would, however, be required to pay a full fee, since the child's attendance straddles the two part-time schedules.

Although each of the part time schedules described above cover a 5 1/2 hour period, in most cases even a child who attends the center for only two hours a day would be required to pay for full 5 1/2 hour part-day fee. The reason for this is the high cost of staffing the program to meet mandated staff to child ratios. Even if the provider were to calculate an actual hourly rate and charge parents only for those hours the child was in attendance, this hourly rate would have to be high enough to cover the cost of paying for staff during those hours when the center was not fully enrolled, and thus would probably be no less expensive than a part-day rate. (Stoney, pages 49-50)

The report indicated that center-base child care providers were more distressed by the change than were proprietors of registered family day care homes. The authors concluded that if SRS staff who develop child care plans for families participating in subsidized child care programs are not sensitive to the provider's schedule as well as to the needs of the child and the family, some providers could lose additional money by accepting subsidized clients. The authors recommended that SRS monitor implementation of the hourly rate methodology to determine whether it is having a detrimental effect on provider participation and parental choice of providers.

The Committee reviewed with the authors of the report and with officials of SRS those recommendations contained in the report that address administrative matters for the agency. SRS informed the Committee that the report presented an accurate and reliable view of the Kansas child care system. Further, the Department informed the Committee that many recommendations made in the report would be included in revised policies to be adopted at the beginning of FY 1994. Other recommendations either were under consideration by SRS and affiliated advisory groups, or were contingent upon availability of additional funds.

In regard to the child care provider reimbursement issue, officials of SRS informed the Committee that the cost survey upon which existing hourly rates were based would be conducted again in the Lawrence area during 1994 and that an adjustment of the policy had been made to accommodate those children who are in care for six or more hours. Providers who care for those children will be reimbursed for a full day rather than on an hourly basis as originally required by the new policy.

The authors of the Stoney report also made six recommendations for the Legislature:

1. Establish clear service priorities and policy goals for spending capped child care funds.
2. Support data collection and child care supply building:
 - a. continue to support KDHE's automation;
 - b. consider the role of child care resource and referral agencies (CCRRs) in local data collection and needs assessment; and
 - c. explore ways to increase the quality and supply of child care providers who serve subsidized children.
3. Provide SRS with the funds necessary to raise reimbursement rate ceilings.
4. Provide leadership in forging joint financing strategies using Head Start, state education, health department, and child care funds.
5. Provide leadership in forging joint financing strategies with the private sector.

Following discussion of the Stoney report with the authors and SRS, the Committee received background memoranda regarding federal child care policy, the public policy purpose of child care and identification of programs in Kansas that support those policies, the spectrum of policy options, and potential roles for the state in child care. Staff also presented memoranda summarizing state laws that address licensure, registration, and regulation of out-of-home child care.

The Committee received testimony from a variety of child care providers, child welfare advocates, and state and local entities either directly or indirectly involved in child care issues. The purpose of those hearings was to identify areas of gaps in public policy regarding access, quality, and affordability of child care. All conferees were asked to address a similar series of questions in their testimony. The Committee also received testimony from a panel composed of representatives of a Topeka Head Start program, the State Department of Education, the Kansas Chamber of Commerce and Industry, the Security Benefit Academy, Department of Human Resources, KDHE, SRS, and the United Way of Topeka. The panel was moderated by Dr. Nancy Snyder of the Corporation for Change. Members of that panel were asked to address existing linkages between state, local, and private child care financing. Finally, the Committee received testimony from Kansas, Inc. regarding research that agency is conducting regarding employment training and related issues.

Support provided through the NCSL technical assistance grant continued at the Committee's September meeting at which Representative Ed Pineau from Maine, facilitated a discussion of those policy issues involved in child care and assisted the Committee with identification of policy priorities. The Committee articulated a number of reasons for out-of-home child care to exist in Kansas, identified a legislative role in child care, generally articulated macro-level desired outcomes of child care policy, identified goals of the child care system, identified the Committee's needs for additional information, and the process for developing child care policy including the Committee's strengths and weaknesses in that process.

The Committee completed its study of child care at the October and November meetings at which it articulated a desired result of child care policy in Kansas and seven principles that should guide development and implementation of policy in order to achieve that outcome. The desired outcome of child care policy is: families that are able to fulfill their roles as primary child care givers and educators of young children by being able to access high quality, affordable child care. The seven principles that are to guide development and implementation of child care policy address the following issues: family self-sufficiency, investment in children, consumer orientation and education, accessibility, affordability, diversity, and efficient coordinated administration and support for infrastructure. The outcome articulated also is to be used to guide state agencies' development of outcome measures under the oversight of the Joint Committee on Children and Families.

CONCLUSIONS AND RECOMMENDATIONS

The Committee recommends a single piece of legislation that would implement several recommendations. The bill would:

- include a statement of the desired result of state child care policy and seven principles that are to guide development and implementation of state policy to achieve that outcome;
- as a means of improving the quality of out-of-home child care in certain settings, reduce the number of children who can be cared for in a registered family day care home from six to four (excluding the provider's own children over the age of 12); the proposed legislation also would require KDHE to develop a sign-off sheet for parents who take their children to registered family day care homes; the purpose of that sign-off sheet is to ensure that parents know what requirements the home must meet in order to maintain its registration; copies of the sign-off sheet with parents' signatures would have to be kept at the home;
- increase child care license and registration fees sufficiently to at least cover those costs associated with automated improvements in the licensing process and provision of licensing information to the public, to SRS, and to local health departments; the recommendation includes direction to the House Appropriations and Senate Ways and Means committees to consider additional fee increases if sufficient grant funds are not received to cover the entire cost of additional personnel to implement those improvements; and
- amend child care licensure statutes to update terminology as a means of assisting parents to make wise child care decisions.

The Committee recommends that the SRS Statewide Child Care Committee identify gaps in child care resource and referral services in the state with the input of existing resource and referral and child care providers. The SRS committee is to report back to the Joint Committee on Children and Families by July 1, 1994.

The Corporation for Change, working in cooperation with the Kansas Chamber of Commerce and Industry, other private employers, and local planning councils, is to educate private employers about the benefits of participating in child care assistance for employees. The Corporation for Change is to report by May 30, 1994 to the Joint Committee on Children and Families regarding barriers to greater employer participation in child care assistance efforts identified during this education effort. The 1994 Joint Committee on Children and Families should explore avenues for private/public financing partnerships for child care services and removal of barriers to business participation in the provision of child care services.

One specific area of concern identified by the Committee involves a projected shortfall of \$6.6 million in state funds for child day care in FY 1994. The Committee is concerned that financial considerations may result in a severe reduction in child care assistance for the working poor. Such a reduction will threaten the ability of working parents in the job market and may affect children with special needs, working foster parents, and other priority populations. The Committee feels that this would jeopardize economic progress for those families and be a significant setback to Kansas' welfare reform efforts. The Committee recommends that the executive and legislative branches make every possible effort to prevent these anticipated cutbacks.

The Committee is concerned that changes made to the basis upon which child care providers are reimbursed have had a detrimental impact on the availability of child care in certain communities. The Committee is specifically concerned that the current system of providing reimbursements on an hourly basis may undermine achievement of certain public policy goals such as improved child care quality, the availability of care for special populations, and the availability of care for children of parents who are in job training or other educational programs. The Committee recommends that SRS closely monitor the quality and availability of child care to determine who is adversely affected by the change to hourly reimbursements. The Committee also recommends that SRS conduct the rate survey again during FY 1995 and that the Department consider using a different survey instrument, *e.g.*, the one used by the State of Maryland, that may yield better, more accurate data regarding the costs of providing child care. The Committee requests that SRS report back on the results of the new rate survey in October of 1994.

The 1994 Committee will continue to monitor child care licensure and quality issues in an ongoing effort to increase provider qualifications and training.