

National Association for the Education of Young Children

1313 L Street NW, Suite 500, Washington, DC 20005-4101

202-232-8777 800-424-2460

Fax 202-328-1846

www.naeyc.org

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National Association for the Education of Young
Children (NAEYC)
1313 L Street NW, Suite 500
Washington, DC 20005

Office of Child Care
370 L'Enfant Promenade SW
Washington, D.C. 20447
Attention: Cheryl Vincent, Office of Child Care
RE: ACF-2013-0001

The National Association for the Education of Young Children (NAEYC), the nation's leading voice on high-quality early childhood education for children birth through age eight, is pleased to submit comments on the proposed regulations of the Child Care and Development Fund (CCDF). NAEYC promotes high-quality, affordable early childhood education for all children. High-quality requires sufficient resources for programs to meet and sustain high-quality standards and offer fair compensation to attract and retain knowledgeable and skilled staff. We believe that these are goals shared with the Office of Child Care, and that the regulations are proposed with those goals at their forefront.

NAEYC supports the general intent of the proposed regulations. However, we are concerned that they will be implemented without significant additional financial investments in CCDF. As a result, we fear that states will not be able to meet them without shifting resources away from other critical needs of quality and access. The proposed changes to federal CCDF regulations will have a positive impact on the health and safety conditions in child care settings. This is vitally important. However, attention to children's cognitive, social and emotional development by knowledgeable and skilled teachers and staff, who receive support for their ongoing professional development and education, coupled with fair compensation, also needs to be at the forefront. States may well be forced to make tradeoffs of reduced funding for professional development, lower reimbursement rates, or fewer QRIS tier differentials – elements that support high-quality programs. Already, only one in six eligible children is receiving assistance.

Our comments relate to specific sections of the proposed rule, taking into account NAEYC's own experiences in setting program standards and the reflections of our members who are working with young children and families each day to help them meet their potential and to meet the working needs of their families.

Specific Comments by Section

98.1. Goals and Purposes

NAEYC agrees with the listed Goals and Purposes. We recommend adding workforce development to the list of purposes of CCDF. A key element of quality child care is the knowledge and skill of the provider, as well as fair compensation so that the provider will remain in the field and program. CCDF quality funds have been critical to the success of individuals' training, professional development and greater educational attainment, as well as compensation improvement initiatives.

98.14(a)(1). Plan Process

We support the provision in the proposed regulations that State Lead Agencies should coordinate the provision of child care services funded by CCDF with the agencies responsible for prekindergarten, educational services provided under Part B and C of the Individuals with Disabilities Education Act, child care licensing, Head Start State Collaboration, State Advisory Councils on Early Education and Care, statewide after-school networks, and emergency management and response. We recommend that higher education entities that provide professional development and degree programs in early childhood education, a state early childhood professional development system advisory body, and the Child and Adult Care Food Program (CACFP) be part of the coordination as well.

98.16(g)(6). Plan Provisions – Job Search

We support the provision to require states to allow parents to receive child care assistance in order to conduct job searches. This change will help parents return to the workforce and could protect their children from enduring changes in their child care arrangements or unsafe child care conditions during periods of parental unemployment.

98.16(h). Continuity of Care

We strongly support the need to encourage more continuous access to high-quality child care by requiring states to consider how assistance policies have an impact on child development and on parents' efforts to improve family well-being through employment and income advancement. Early childhood teachers are more likely to be able to establish positive relationships with children who have stable access to their care. Given that parental education is such an important component of parents' efforts to enhance their employability, and is directly correlated with child readiness for kindergarten, we suggest language stating "policies that promote employment, education, and income advancement for parents."

98.16(t). Payment Practices

We support the proposed changes that would encourage more predictable and timely payment to child care providers for children receiving CCDF-funded child care assistance. Providers need stable income to maintain their payroll obligations and the quality of the early childhood environment. The regulations should include a definition of "timely" reimbursement and examples of provider payment practices for

states to adopt, such as providing payment to cover days when children are absent or holidays, giving prompt notice of changes of eligibility, and allowing providers to receive payment for registration fees and other fees charged to private-paying families. In addition, we recommend clarification that states may choose to pay providers prospectively rather than only on a reimbursement basis. For example, this payment method may be appropriate when a state uses the option of a grant or contract.

98.20(a)(2). Eligibility – Income Limits

We support the requirement that states base eligibility thresholds on the most recent state median income (SMI) as published by the Bureau of the Census. This will allow for greater understanding and easier comparability of eligibility levels for families moving across state borders.

98.20(a)(3). Eligibility – Children Receiving Protective Services

We support the proposed provision that would ensure that children who receive, or need to receive, protective services and other vulnerable populations are considered eligible for child care assistance – if necessary – regardless of family income. This provision allows Lead Agencies to offer assistance to their most vulnerable children as needed. This is an important recognition that there are risks to children’s development that are not restricted to family income, and that respite child care can provide an important, stabilizing force for children and for their caregivers.

98.20(b). One-Year Eligibility Certification Period

We support the provision to require that states adopt a one-year eligibility period for receiving assistance, even if the family’s circumstances change. The proposed regulations allow states to decide what specific changes in family circumstances could impact eligibility and warrant reports to the state during that time. Research has shown that many families lose assistance during redetermination despite remaining technically eligible. Much time is wasted on unnecessary paperwork for eligibility workers as well as families. This provision will contribute to OCC goals to promote continuity of care for young children as well. However, we do also recommend that the final regulations clarify that families may report information that might benefit them within the 12-month period, for example, increased work hours that demand more hours of child care and therefore more assistance. We also recommend that OCC clarify in the final rule that families retain the right to report changes in work status, as some families may have an increase in the number of their work hours and will need more hours for afterschool or other child care assistance, or may have a reduction in wages which should lead to a lower copayment.

98.20(d). Developmental Needs of Children

We are pleased that Lead Agencies are to take into consideration the developmental needs of children when authorizing services. We appreciate that the Preamble speaks to children’s healthy and successful development as a goal of CCDF and that states are not required to limit child care services based on the work, training or educational schedule of the parents.

98.30(a)(1). Use of Grants and Contracts

We support the clarification in the proposed revision that grants and contracts are an allowable and important means for states to provide child care assistance, one that states must offer as a choice for parents. Grants and contracts can serve as a tool to help states build supply of child care services in underserved areas of the state as well as for populations – such as infants and toddlers – for which supply is limited. Grants and contracts can also increase stability of providers and accurate budget planning, which may have a positive impact on the quality of the work environment and program stability.

98.32. Parental Choice

We appreciate the clarification in the proposed regulations that parental choice provisions do not prohibit Lead Agencies from providing parents with information and incentives that encourage the selection of high-quality care. Parents with low-income who must rely on assistance to secure child care services deserve information about how to choose the best option for their children. We recommend that the Preamble encourage states to provide higher reimbursement rates so that providers can deliver higher quality care on a consistent basis.

98.33. Consumer Education

We support the goal of greater consumer understanding of the state’s child care licensing system and of quality program standards. As a standard-setter and national accrediting body of early childhood education programs, we believe strongly in accurate and meaningful consumer information. Parents should be making informed choices.

This is an area that requires significant resources – both for outreach of information and its continual updating for consumers and for collecting information on providers. Thus, requiring states to create new systems may not be the best use of scarce resources. To that end, we believe states should be using information readily available, such as licensing and other regulatory requirements, and should be making that information accessible to families whose home language is not English as well. In addition to providing licensing requirements and licensing status information, states could be encouraged to link to the website for NAEYC early childhood program accreditation site which provides parents with information about quality and a way to search for NAEYC-accredited programs as regularly updated by NAEYC. Likewise, they should be linked to the Child and Adult Care Food Program for provider participation and consumer information.

The proposed language suggests using a quality rating and improvement system (QRIS). Only half of the states have created a statewide QRIS and these vary widely in their setting of standards, support to providers for improvement, and reimbursement rates at different levels. In most QRIS, provider participation is voluntary. Thus, it is important that consumer education not inadvertently suggest that failure to participate in a QRIS or to be accredited is an automatic signal of lack of quality. It is important that the final regulations clarify that states may build on existing standards and systems. In addition, the regulations should not inadvertently lead to states creating systems that set inappropriate standards

and tiers of standards, provide inadequate financial assistance and other assistance to raise the quality of services, or set reimbursement rates that are below the cost of sustained quality at each tier.

98.41. Health and Safety Requirements – Background Checks

We support the provision to require specific background checks for providers in child care centers, and would recommend extending this provision to all staff working in centers. However, some of our members have related how difficult it can be to have such background checks processed in a timely manner. They report that it can take months to receive background check information in their state – one member reported submitting paperwork in November and not receiving approval until the following June. Providers should be allowed to hire staff so long as they work under supervision pending approval. In addition, states should be required to provide background checks within a reasonable time frame, for example, 45 days. The requirement for a background check should be extended to family child care providers, and members of their household age 18 and over, who care for children receiving assistance. It should pertain to all full- and part-time and contract workers, including administrative, food service, transportation and maintenance personnel who are onsite or whose work brings them in contact with children.

The cost of background checks should not be a barrier for a provider and so to the extent practicable, states should provide ways to use CCDF funding to help providers meet these new costs.

98.41(a)(3). Health and Safety Requirements – Minimum Training

We strongly support the proposed provision to require minimum training for health and safety for providers, although some NAEYC members report difficulty accessing such training in a timely manner. To ensure the intent of this provision, states would need to offer orientation or minimum training on a regularly scheduled basis to allow program directors and providers to plan for participation when necessary. Even so, there would likely be cases where a classroom could not operate unless the appropriate staff is available. We appreciate that the proposed regulations allow states to define what “pre-service” and “orientation” periods entail. This will allow completion of the required training during that initial period of service or orientation period. We recommend some reasonable limit for the length of that period. We also recommend specifying that training ought to be specific to the developmental ages and needs of the children a provider will serve. For example, someone new to serving infants ought to have infant-specific training – e.g., on the topics of safe sleep, shaken baby syndrome, and infant feeding – prior to working directly with children.

98.41(a)(3)(vi). Health and Safety Requirements – Training on Nutrition

We support training on age-appropriate nutrition. We recommend specifying that the training provided under the Child and Adult Care Food Program be deemed to fulfill this requirement.

98.41(d)(1). Health and Safety Requirements - Monitoring

We support the proposed provision that would require initial monitoring visits and unannounced visits to monitor programs. However, we have heard from several providers in different states about the challenges their states have in recruiting qualified licensing staff. We have also heard that if licensing staff have no background in early childhood education, this has created costs and delays for training staff before they can make visits to programs. This poses a question of balance in the use of resources for states: to meet this requirement, states may be forced to significantly reduce training support. Therefore, we recommend that the final regulations make clear that, if needed, the state can take into account other program monitoring visits or regulatory or program assessment systems with demonstrated reliability and validity. We also recommend a short grace period as needed for the initial monitoring visit so as to prevent barriers for families who need child care to start work immediately.

98.42. Sliding Fee Scales – Copayment Waiver and Using Cost as a Factor

We support the proposed provision to waive the copayment not only for families with incomes at or below the poverty level but also families that may have other significant expenses that make the copayment a barrier to care. Using the cost of care to determine a copayment also can create a barrier to a low-income family's access to high-quality care.

98.43(b). Equal Access – Adequacy of Payment Rates

The proposed regulations address one of the key challenges to our field: determining the amount of payment that state child care systems must offer in order to ensure access to providers of high-quality services to children and families receiving child care assistance. We support changing the language from market rate study to "local market price study." We recommend that the regulations include guidance for states to help them conduct valid, reliable market price studies and how to determine what would be the true cost of quality (including fair compensation for child care staff) and not based on the cost charged to families. Prices in the market reflect what a program believes it can charge to its customers, which in low-income communities can be much lower than the real costs of quality care.

We prefer to maintain the current regulations that have a standard against which all states may be compared: using the 75th percentile of a "local market price study" conducted no longer than two years prior to set provider payment rates.

98.43(c)(2) Equal Access – Payment Rates Based on Quality

We support the provision that States must take into account the quality of child care when determining payment rates. However, states should be encouraged to set adequate base rates as well as higher rates for higher quality care. The majority of the states that do offer higher rates for high quality still fall below the 75th percentile of up-to-date market rates. The Preamble should strongly discourage lowering base rates. Higher ratings of quality should be matched with higher rates to sustain those quality levels and offer the potential to improve even more.

98.51(2)(iv). Activities to Improve the Quality of Child Care – Professional Development

We strongly support the inclusion of a more extensive list of professional development activities that states may purchase with quality funds in the CCDF. NAEYC has produced a blueprint that many states are using to build a cross-sector, integrated early childhood professional development system that addresses professional standards, career pathways, advisory structure, articulation between associate and baccalaureate degree programs, workforce data, and financing of the system and of individuals' ability to access ongoing professional development and education. In addition, we recommend that the list of allowable professional development activities include the use of quality improvement coaches, mentors, and consultants. States can support portability for individuals by ensuring that their professional development activities support a cross-sector, integrated early childhood professional development system.

We appreciate the opportunity to submit comments on behalf of NAEYC. Thank you for your consideration. If you need any further clarification, please contact Adele Robinson at arobinson@naeyc.org.