

Members

Sen. Connie Lawson, Chairperson  
Sen. Rose Antich  
Rep. William Crawford  
Rep. Mary Kay Budak  
Ellen Clippinger  
Cheryl A. Seelig  
Sven Schumacher  
Kimberly Tracy Armstrong  
Donald Amos  
Nathan Samuel  
Marsha Hearn-Lindsey  
Barb Schuck  
Carol Johnson  
Sharon Pierce  
James Hmurovich  
Mara Snyder  
Judy Ganser



# BOARD FOR THE COORDINATION OF CHILD CARE REGULATION

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Authority: IC 12-17.2-3.1

## MEETING MINUTES<sup>1</sup>

**Meeting Date:** August 28, 2000  
**Meeting Time:** 10:00 A.M.  
**Meeting Place:** State House, 200 W. Washington St.,  
Room 404  
**Meeting City:** Indianapolis, Indiana  
**Meeting Number:** 2

**Members Present:** Sen. Connie Lawson, Chair; Sen. Rose Antich; Rep. William Crawford; Rep. Mary Kay Budak; Ellen Clippinger; Sven Schumacher; Kimberly Tracy Armstrong; Donald Amos; Nathan Samuel; Marsha Hearn-Lindsey; Sharon Pierce; James Hmurovich; Mara Snyder; Judy Ganser; Carol Johnson.

**Members Absent:** Cheryl A. Seelig; Barb Schuck.

### I. Call to Order

Senator Lawson, Chair, called the meeting to order at approximately 10:00 a.m. and introduced Board members and LSA staff. The Chair then asked if Board members had any comments before the beginning of testimony.

At this time, Representative Budak addressed the Board regarding special needs daycare for children of elementary school age through early adolescence. She explained that there are many unmet needs regarding daycare for certain children in LaPorte County, and expressed interest in the Board looking into this matter on a statewide level.

Representative Budak submitted a letter to the Board by the United Way of LaPorte County (Exhibit #1) which describes her concerns more fully and also provides additional information regarding the following items: 1) a brief description of United Way of Laporte County's regular agency roundtable meetings; and 2) information regarding the 2000 Resources and Needs

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<sup>1</sup>Exhibits and other materials referenced in these minutes can be inspected and copied in the Legislative Information Center in Room 230 of the State House in Indianapolis, Indiana. Requests for copies may be mailed to the Legislative Information Center, Legislative Services Agency, 200 West Washington Street, Indianapolis, IN 46204-2789. A fee of \$0.15 per page and mailing costs will be charged for copies. These minutes are also available on the Internet at the General Assembly homepage. The URL address of the General Assembly homepage is <http://www.ai.org/legislative/>. No fee is charged for viewing, downloading, or printing minutes from the Internet.

Assessment.

The Chair indicated to Representative Budak that she would coordinate with James Hmurovich from FSSA to bring individuals to testify regarding this topic at the next meeting. The Chair agreed with Representative Budak that such testimony could provide pertinent examples regarding what course of action to take concerning this situation.

There being no further comments at this time, the Chair introduced the first witness.

## **II. Child Care Expenditures and Playground Safety**

Ms. Amy Brown, Legislative Liaison, FSSA, Division of Family and Children was introduced by the Chair to begin testimony. Ms. Brown gave a presentation on child care expenditures (FY 1999 and FY 2000) and the status of playground safety standards by testifying to the following:

### *Temporary Assistance for Needy Families (TANF) Block Grant*

- Additional monies available in FY 2000 via TANF Block Grant (funding provided by welfare to work savings).
- TANF monies made available to Indiana families has eliminated the wait list problem.
- FSSA is nonetheless monitoring child care voucher conditions on a quarterly basis and reallocating funds when necessary to maintain the wait list at a minimal level.
- TANF distribution based on the following county by county data: 1) number of children under 18 years of age; 2) number of individuals on wait list; 3) percentage of individuals receiving TANF; and 4) the degree of outreach.

### *Child Care and Development Fund (CCDF) Block Grant*

- Provides for the voucher system.
- Allows parental choice regarding provider (e.g., registered child care ministry, licensed child care center, licensed child care home or exempt child care facility).
- To qualify, family must meet certain poverty level criteria.
- Families must demonstrate a service need through either education, employment, or training.
- In 1999, 65,000 children were served by the voucher system. Projections for 2000 raise that total to 89,000.

### *Social Services Block Grant (SSBG)*

- Slightly different poverty level criteria than CCDF.
- Must also demonstrate service need.
- All providers are licensed and located in lower income areas.
- Co-payments based on a sliding fee schedule.

### *Playground Safety*

- Present rules and regulations that govern the licensing of child care centers in Indiana require that playgrounds be "free from hazards which might be dangerous to the life or the health of children".
- FSSA sent members of its licensing staff to playground safety training in November of 1999 (conducted by the National Recreation and Park Association and the National Playground Safety Institute).
- FSSA initiated a playground audit program for 2000 but declared a moratorium on the program in order to collect adequate public input.
- FSSA would like to assist providers in complying with current federal safety guidelines established by the US Consumer Product Safety Commission.

### *Indiana Playground Injury Data*

- The number of injuries reported in 1999 has declined from 1998.
- In 1999, total playground related injuries totaled 304 cases compared to 345 cases reported in 1998.
- In the Fall of 1999, the Child Care Licensing Section of FSSA formed a partnership with the US Consumer Product Safety Commission.

Ms. Brown submitted a handout (Exhibit #2) which describes her testimony more fully and also provides additional information regarding the following items: 1) county by county breakdown of TANF, CCDF, and SSBG monies; 2) specific documentation regarding FSSA's playground safety audit program for 2000; and 3) a sample list of injuries sustained by children in 1999 on Indiana playgrounds.

Ms. Brown concluded by indicating to the Board that FSSA and the Providers' Link Association will soon meet regarding Child Care Class I regulations, and that FSSA would provide the Board with information from that meeting during the Board's next meeting.

### **III. TEACH Early Childhood Project Scholarships**

Ms. Dianna Wallace, Director, Teacher Education and Compensation Helps (TEACH) Early Childhood Project gave a brief overview of TEACH by testifying to the following:

#### *Early Childhood Associate Degree Scholarship Programs*

- Scholarships are available for Family Child Care Providers and for Child Care Center Teachers and Directors.
- Scholarships are funded by the Indiana Child Care Fund, Inc. (a partnership between interested child care public and private entities).
- Approximately 650 scholarships have been awarded in 73 different counties (as of August 25, 2000).
- There is currently no wait list regarding scholarship application.

Ms. Wallace submitted a packet (Exhibit #3) which describes her testimony more fully and also provides additional information regarding the following items: 1) application material; 2) eligibility criteria; 3) overview of the TEACH project with two FACT sheets; and 4) contact information for the Indiana Association for the Education of Young Children.

### **IV. Latch Key Program**

Terry Spradlin, Legislative Liaison with the Department of Education gave a brief overview of the Latch Key Program and DOE's involvement by testifying to the following:

#### *Statutory Requirements*

- Beginning with the 1992-93 school year, each school corporation in Indiana was required to offer school-age child care programs as a result of legislation passed in 1991 by the Indiana General Assembly.
- Applicable grade levels are kindergarten through grade six.
- All children in applicable grade levels can be included in programs.
- School corporations are allowed to contract with a not-for-profit organization to conduct programs.
- DOE has a limited role concerning the Latch Key Program (there is no specific authority given to DOE via the statute).
- DOE developed a Latch Key Programs implementation handbook in 1992.

### *Waiver Process*

- DOE receives approximately ten to thirty waiver requests per year from school corporations.
- Waivers are granted based on a demonstrated lack of interest for a school-age child care program by the parents of a school corporation.
- The State Board of Education grants a waiver after the review and analysis of each waiver request by a school corporation.

### *Participating School Corporations*

- All school corporations since the 1992-93 school year have established a school-age child care program policy.
- DOE has not required school corporations to resubmit their policies.
- DOE sends out a notice each year reminding school corporations that they are required to establish a school-age child care program or apply for a waiver.

Mr. Spradlin submitted DOE's *1992 Latch Key Programs Implementation Handbook* (Exhibit #4) which describes his testimony more fully and also provides additional information regarding the following items: 1) enabling legislation; 2) checklist ; 3) school corporation policy; 4) sample policies; 5) parent surveys to determine interest in program; program preparation; 6) funding sources; 7) scholarships and sliding scales; and 8) waiver guidelines.

## **V. Indiana Development Finance Authority**

Ms. Courtney Tobin, Executive Director, Indiana Development Finance Authority (IDFA) gave an overview and update of two IDFA economic development finance programs, e.g., the Capital Access Program and the Childcare Bond Program. In addition, she briefly addressed the possibility of using IDFA program monies by child care facilities to bring playground equipment into compliance with Federal guidelines. She testified to the following:

### *IDFA*

- A quasi-state agency that works with the Department of Commerce on various economic development finance programs.
- Does not participate in direct lending.

### *P.L. 277-1999*

- Modified IDFA's Capital Access and Child Care Bond Programs to create an incentive for participating banks to financially help Indiana's child care facilities.
- Both programs are run in conjunction with private banks in Indiana, and are loan programs.
- The State requires child care facilities to be licensed or to be in the process of becoming licensed in order to access the two programs.

### *Capital Access Program*

- Established in 1993.
- P.L. 277-1999 authorizes IDFA to triple its contribution to the lender's reserve if the borrower is a child care facility.

### *Childcare Bond Program*

- Michigan City Child Care Consortium, Inc. was the first to take advantage of this program.
- There are four to five other entities in the pipeline for bonds.
- Allows for a lower interest rate for long-term capital borrowing.

### *Playground Safety*

- Participating banks determine if monies can be used for playground safety.
- IDFA does not currently have grant monies available for playground safety.

Ms. Tobin submitted a packet (Exhibit # 5) which describes her testimony more fully and also provides additional information regarding the following items: 1) P.L. 277-1999; 2) Capital Access and Childcare Bond Programs; and 3) the Michigan City Child Care Consortium, Inc.

## **VI. Public Input**

The Chair allowed members of the audience to testify during various portions of the Board meeting. Interested parents as well as representatives from several organizations presented testimony regarding the agenda items. The following organizations were either discussed or represented via testimony: 1) National Recreation and Park Association; 2) National Program for Playground Safety; 3) National Playground Safety Institute; 4) U.S. Consumer Product Safety Commission; 5) Riley Hospital for Children; 6) Marion County First Steps and Step Ahead Programs; 7) Indiana University's Early Childhood Center; and 8) Indianapolis Public Schools.

The organizations above presented various handouts including but not limited to information on child care, playground safety, and licensing/registration requirements (Exhibits # 6, 7, 8, 9, 10, and 11).

## **VII. Committee Questions and Discussion**

### TANF, CCDF, and SSBG

The Chair stopped the discussion at this time to ask Representative Crawford if he was satisfied with the financial information provided by FSSA regarding TANF, CCDF, and SSBG distribution. Representative Crawford indicated that he would like to see the criteria for each of these funding sources since they were not included in Exhibit #2. Ms. Brown indicated that she would make the criteria available during the next meeting.

### Playground Safety

Representative Budak addressed the issue of FSSA's playground audit program and its recent moratorium. In response, Jim Hmurovich of FSSA indicated that the moratorium is by no means permanent. Mr. Hmurovich reiterated that the reason FSSA chose to establish a moratorium was to gather public input into the process of complying with Federal guidelines, and to provide financial options to day care facilities.

Representative Crawford asked if there is any way to track non-licensed daycare facilities regarding injuries due to playground equipment. Keith Carver, Supervisor for Licensing with Child Development, Division of Family and Children, stated that there is no way of tracking these data. He added that such information is self-reported.

At this time, the discussion focused on licensing requirements and government subsidies. Representative Crawford asked the Chair if the Board could be provided with financial data regarding government subsidies such as CCDF. He asked that the data be broken out by legally exempt and licensed facilities. Representative Crawford added that monies should be conditionally based on safety standards.

Discussion then turned to licensed day care providers and the help they need to implement higher safety standards. The Chair indicated that the Board will address this concern in its final recommendations.

### Latch Key Program

Representative Budak asked Mr. Spradlin what constitutes a lack of interest on the part of a school corporation regarding the Latch Key Program. Mr. Spradlin gave the example of a low parent survey response rate as being indicative of a possible lack of interest on part of a school corporation. He added that DOE's Latch Key Programs implementation handbook is a good source to find other examples.

The discussion then turned to the regulation of school corporation Latch Key programs regarding appropriate standards of reasonable care. Although Latch Key programs are not required to meet the specific standards of a licensed day care center, Board members agreed that some sort of oversight needs to be established.

The Chair entertained a motion to form an informal work group in order to study this issue and prepare a progress report for the next meeting. The members are as follows: 1) Ellen Clippinger, Chair; 2) Kimberly Armstrong; 3) Representative Crawford; 4) Sharon Pierce; and 5) James Hmurovich.

### **VIII. Adjournment**

After brief discussion regarding meeting dates, the Chair adjourned the meeting at approximately 1:00 p.m.