



Texas Work & Family CLEARINGHOUSE NEWS

A program of the Texas Workforce Commission

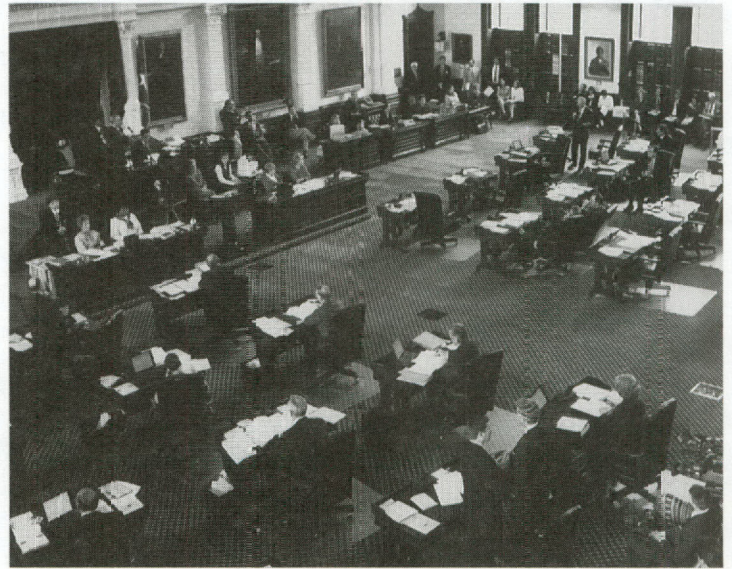
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SUMMER/FALL 1997

National Survey of Working Women

The AFL-CIO wants to begin a national dialogue about the issues working women care about most. To that end, they are conducting a national survey to identify and prioritize those issues. Among issues covered in the survey are family-supportive workplace policies, pay equity, health care, child care and retirement security. Union representatives are also meeting with working women throughout the country and forming partnerships with women's, community, civil rights, and religious organizations. The activities are sponsored by the AFL-CIO Working Women's Department.

September 5-7 in Washington, D.C., a conference will be held to release survey responses and map out a working women's agenda. As this newsletter went to press, over 45,000 survey responses had been received from across the country. Watch for results of the survey in the next issue of the *Clearinghouse News*. ★



The Texas Legislature met in their 75th Session this year. Child care issues were a top concern of many legislators. (See articles on pages 2 and 3.) ★

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Elder care costs businesses as much as \$29 billion per year, concludes a Met Life study reported in the June 13 Washington Post. The study found that 14.4 million Americans — one-eighth of all workers — have both work and elder care responsibilities. Some 59 percent of employees miss work due to elder care responsibilities; 10 percent of care givers have had to quit their jobs and 11 percent to take leaves of absence.

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Almost 25 percent of the workforce, or about 29 million American, are employed by companies that do not provide group health insurance for employees' families, according to the U.S. General Accounting Office. GAO found that the cost of providing family coverage has increased more than 60 percent in the past six years, from an average of \$268 to \$449, pricing some employers out of the market.

Employee leasing is a growth industry that could employ as many as 37 million people within 10 years, up from the current 2.5 million, reports USA Today (May 20). The potential market for companies with fewer than 500 employees is \$2 trillion, only two percent of which has been captured thus far. These so-called Professional Employer Organizations administer all human resource functions, including such family-related policies as Family and Medical Leave Act compliance, pension plans, and health insurance, and typically reduce costs for small companies because of the bargaining power they derive from economies of scale.

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75th Legislature Approves Innovative Programs to Fund Child Care Services

Funding for child care programs and planning for child care services got a big boost from the 75th Legislature, which adjourned earlier this summer. Authors of child care legislation in the senate included Senators Ellis, Lindsay, Lucio, J. Patterson, West, and Zaffirini. Sponsors of house legislation included Representatives Alvarado, Coleman, Cuellar, Dukes, Dunnam, Giddings, Greenberg, G. Lewis, Naishtat, Oliveira, and Olivo.

Here are the highlights of a comprehensive package of legislation authored by Senator Rodney Ellis (see *New Directions*, page 3) and signed by Governor George Bush:

- ★ creates the Capital Access Program to encourage financial institutions to make loans to child-care operators and other small businesses;
- ★ expands an existing linked-deposit program to include child care providers, small businesses and non-profit operating day care centers or group day homes;
- ★ develops a pilot program to train public assistance recipients as child care service providers; and
- ★ requires training for local workforce development boards in early childhood education and managing state and federal child care funding.

Other legislative initiatives reauthorize the Texas Work and Family Clearinghouse to fund school-age child care and designate a work-family facilitator for state agencies. These legislative initiatives take effect September 1.

Funding Options

The *Capital Access Program* set up by SB 266 is designed to encourage financial institutions to make loans to businesses and nonprofit organizations "that face barriers in accessing capital." Under the program, the state, the lending institution, and the borrower all will make deposits into reserve accounts of participating institutions as a source of reimbursement for losses attributable to loans made under the program. In most cases, the state's share will total 150 percent of the amounts deposited by the institution and the borrower. The proportion increases to 200 percent if the loan is for a day care center or group day care home.

Loan proceeds may be used for working capital or for the purchase, construction, or lease of buildings and equipment.

The *Linked Deposit Program* expanded by SB 265 also will encourage commercial lending to child care providers. The program formerly was limited to small businesses located in economically distressed communities and to historically underutilized businesses. Under the program, the state agrees

It also encourages board members to be advocates in their communities "for the improvement of child care quality."

—Service Planning Bill SB 1490

and financial institutions.

Service Planning

Four licensed day care facilities will be designated as pilot programs to train and certify recipients of public assistance in basic skills of child care, child care business operations, and early childhood education. SB 213 requires that at least one site be in an urban area and one in a rural area of the state.

Participants will be funded through work supplement programs for 12 to 24 months. The Texas Workforce Commissions may provide additional funding to enable participants to

complete a national credential or certification program or undergo further interactive training. The commission also may provide start-up grants or loans for participants to establish their own child care businesses.

Local workforce development boards will receive training in child care issues under SB 1490. The bill adds to current training requirements instruction in client eligibility determination, early childhood education, vendor management, and the complexity of managing multiple state and federal child care funding sources. It also encourages board members to be advocates in their communities "for the improvement of child care quality."

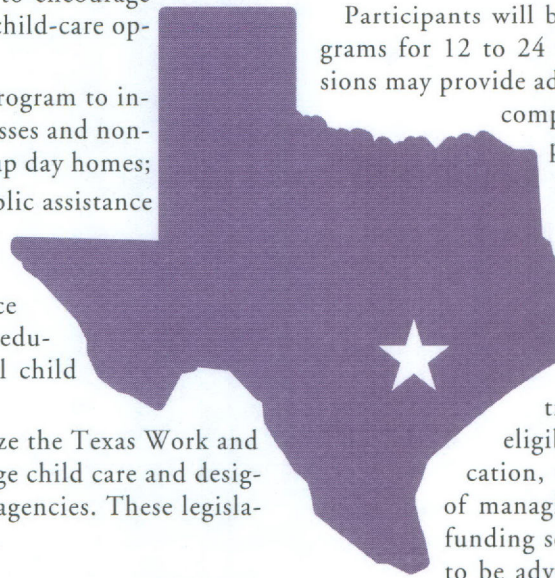
The bill also transfers to the TWC oversight of the State Advisory Committee on Child Care Programs.

Clearinghouse Programs

In other legislation, the Texas Work and Family Clearinghouse is authorized to:

- ★ *Distribute appropriated school-age child care funds* for planning, development, establishment, expansion, or improvement of child care services offered by school districts and reasonable start-up costs. SB 503 by Ellis also authorizes the clearinghouse to distribute such funds to pay fees charged for providing services to students considered at risk of dropping out of school.

★ *Assign a staff person to serve as a work-family facilitator* to assist state agencies in developing policies to help state employees meet conflicting responsibilities. HB 425 by Raymond/Ellis also adds to the Work & Family Clearinghouse Advisory Committee one representative of the Child Care Development Board. ★



Legislating 'Support Services' for Working Parents

Work and family issues were a dominant theme during the 75th legislative session that ended June 2. Representative Sherri Greenberg and Senator Royce West successfully carried bills to tighten inspection and minimum training standards for child care facilities (HB 1555 and 2875) and conduct criminal background checks of employees and administrators of certain day care facilities and homes (SB 1539).

Greenberg and West along with a number of other legislators also teamed up with Senator Rodney Ellis on a package of legislation dealing with the implications of child care for working parents (see "Texas Highlights," page 3). Senator Ellis talked with the Texas Work and Family Clearinghouse News about the impetus for the legislation and his plans for future proposals.

W&F: Senator Ellis, you introduced major legislation this past session on child care and its availability for working parents. Why the focus on child care?

Senator Ellis: Well, I think that it's a very essential part of welfare reform. I believe that we have a responsibility to protect our poorest families and children, and provide them with the tools they need to make the most of their own lives. That's why when we talk about welfare reform, the real discussion should be about education, job training, child care, transportation, and creating jobs.

W&F: In other words, all the infrastructure that's necessary to enable somebody to actually get to work.

Senator Ellis: That's the most important part of it.

W&F: This might seem to say that the free market, or the commercial side of the child care business, really isn't keeping up with the demand. Would that be a true assumption?

Senator Ellis: I think that it's helping, but it's clearly not keeping up with the demand. The federal welfare reform bill that passed in 1996 requires a check system of 20 hours of work activities for 25 percent of public-assistance recipients in fiscal year 97, and work participation requirements will increase five percent each year until 2002. And so in five years Texas must have 50 percent of the welfare recipients working at least 30 hours a week. About 88,000 Texans are currently enrolled [in

public assistance programs]. So child care becomes an important support service, helping welfare recipients make the transition to self-support.

W&F: So the state can't afford to wait for private employers to pick up the challenge of making sure workers have adequate access to child care?

Senator Ellis: We have no choice. Some 2.8 million Texas children under the age of 18 have both parents or their only parent in the work force. So, it's a crisis, and I think we have to expand access to affordable, quality child care services for Texas families.

W&F: The wide ranging legislation you authored on this issue seems to indicate that you're really coming at child care issues from two main directions. One, you're trying to enhance availability of child care for people making that transition from public assistance to work and two, you're trying to improve the viability of child care operations as a business with such programs as the capital access fund. Could you comment on your orientation here?

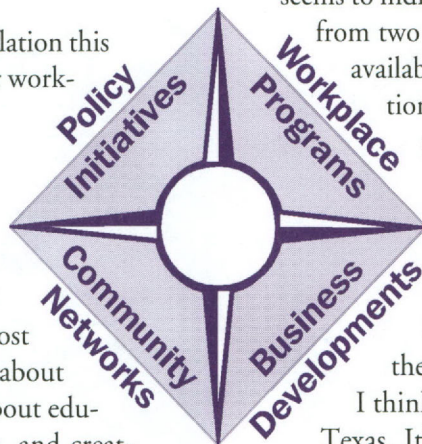
Senator Ellis: I think we clearly have to attack the child care crisis from both of those fronts, and I think that we put together a pretty good package in Texas. It's still an incremental step; there's still a long way to go. We still don't put as much in terms of resources in child care in Texas as a number of other large states around the country do. California is still the leader in this regard; New York's not far behind. Because we have such a young population in Texas, I think it made sense for us to start going down that road to having some diverse programs.

W&F: It sounds like you have some plans for the future.

Senator Ellis: We do, and we're going to spend time during the interim looking at programs that have been tried in other parts of the country and other parts of the world, looking at state of the art legislation around the globe to see what else we can do here in Texas.

W&F: So, for the 76th session, we should look for even more legislation on child care issues from your office?

Senator Ellis: You bet. ★



General Information

The Texas Work and Family Clearinghouse was created by the Texas legislature to supply information to employers about workplace policies and dependent care benefits. For more information about articles in this newsletter or other work/family issues, contact us at:

101 E. 15th St., Room 416T, Austin, Texas 78778-0001
 Telephone: 512/936-3228 • FAX: 512/936-3255
 email: wkfamily@mail.capnet.state.tx.us.
 Web site: www.twc.state.tx.us/wrkfrcdev/wfchp.html

Clearinghouse Newsletter

The *Clearinghouse News* is a quarterly newsletter produced by the Work and Family Clearinghouse with information and news about work/family programs including flextime, resource and referral services, child care and eldercare. Subscriptions are available free of charge by contacting the Clearinghouse at (512) 936-3228.

Internet Homepage

The Clearinghouse maintains a homepage on the Internet with up-to-the-minute information on Clearinghouse activities and work/family resources and projects in Texas. The homepage also features fact sheets on areas of interest, the *Clearinghouse News*, background on the Clearinghouse advisory committee, free resources order form, and much more. Access via www.twc.state.tx.us/wrkfrcdev/wfchp.html.

Work & Family Clipping Service

The Work and Family Clipping Service is a quarterly compendium of the most recent news articles covering the work and family field. If you would like to receive the clipping service free of charge, call (512) 936-3221.

Resource Library

The Clearinghouse maintains a library of resources including books, newsletters, magazines, videos, brochures and articles. The library is continually updated and expanded to include current information on work and family topics. The library materials are catalogued in a computer database for easy search and retrieval. The Clearinghouse staff welcomes library users during regular business hours. For further information, call (512) 936-3228.

Research

The Clearinghouse staff will research and collect information on requested work-family related topics and compile customized information packets. The Clearinghouse works with state agencies, colleges and universities to conduct original research and to compile existing statistics and reports relating to work-family issues in Texas. Call (512) 936-3228 for a research report bibliography.

Networking Opportunities for Employers

The Clearinghouse acts as an information broker about work and family issues among employers and between employers and professional consultants working in the field. Through conferences, workshops and quarterly meetings, the private sector advisory committee to the Clearinghouse sponsors networking activities among employers to highlight best practices and encourage new initiatives. The Clearinghouse also maintains a database of Texas consultants, along with advice about working with consultants. Call (512) 936-3228 to request this listing.

TW&F Clearinghouse Advisory Committee 1997

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- ★ **Ramiro Cavazos**, Levi Strauss Foundation
- ★ **Glenna Pierpont**, Transco/One of the Williams Companies
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- ★ **Peggy Wilks**, Wilks & Associates
- ★ **Tracy Wolff**, San Antonio Smart Start
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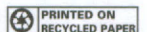
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