



## OFFICE OF THE GOVERNOR

### NEWS RELEASE

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## Gov. Whitman Announces Initiatives to Increase Child Care for Working Families

Gov. Christie Whitman today announced several initiatives that will continue her efforts to increase access to quality, affordable child care for working families.

Under the initiatives, the state Department of Human Services will increase the frequency of state child care inspections from 18 months to every year. Ten staff members will be added to the Bureau of Licensing in the Division of Youth and Family Services which conducts on-site inspections of new child care centers and performs license renewal inspections.

"Adding additional inspectors and increasing the frequency of inspections of child care centers will help reassure parents that their children are being cared for in a safe and caring environment," said Gov. Whitman.

The initiatives announced by the Governor today will also:

- Increase the rates the state pays to child care centers and family day care homes that have achieved national accreditation by 5 percent in January of 1998 and increase the rates by an additional 8 percent for all providers in July, 1998. These increases are on top of a 2 percent across-the-board increase included in the 1998 state budget.
- Provide child care for an additional 1,000 children whose families qualify for subsidized child care. Residents whose income is under 200 percent of the federal poverty level are eligible for a child care subsidy. For a family of three, this would be \$26,660 annually.

"The rate increase announced today will give the parents of young children a greater choice when selecting child care providers," said Gov. Whitman.

According to state Human Service Commissioner William Waldman, the reimbursement rate currently paid by the state is lower than the current market value of child care services, resulting in reduced access for working poor families because some centers won't accept the state reimbursement. For instance, average cost for full-time child care in a licensed center for an infant or toddler is more than \$150 per week and the previous state subsidy is \$123 per week. With today's announcement, that rate will rise to as much as \$142 for an accredited center.

Waldman also noted that "The cost of child care is a heavy burden on many working New Jersey families. The initiative announced today, will enable many low income families who are not on welfare to continue to earn a paycheck."

These initiatives will cost \$17 million as it is implemented from January 1998 to July 1999 and will have an annualized cost of about \$15 million. The initiative is being funded through the Division of Family Development with the state's welfare program and with funds from federal child care block grants. The increase in the rates paid by the state to child care providers will cost \$11 million over the 18-month period from January 1998 to July 1999. Increasing the number of children whose families qualify for subsidized child care will cost \$5.5 million over the same 18-month period. Adding new staff to conduct child care center inspections and increasing the frequency of the inspections will cost about \$450,000 annually.

During her administration, Gov. Whitman has made a number of improvements to the state's child care system.

- The Governor's \$8.5 million "Bright Beginnings" initiative, which received an award from the National Governor's Association, will help licensed child care centers and registered family day care homes expand, increase the number of registered family child care homes, train child care professionals, and educate parents on their options for child care.
- Gov. Whitman has also signed legislation requiring child care center employees to undergo child abuse record information checks to determine if an incident of child abuse or neglect has been substantiated against them.
- The Governor's Sow the Seeds Program, which began last year with a \$120,000 planning grant, will improve the education and training of those who provide child care. The second phase of Sow the Seeds, funded with \$400,000 from the Bright Beginning Initiative, will create a professional development center to coordinate education and training opportunities.
- The Governor has also committed a quarter of a billion dollars to school districts to enhance such programs as pre-school and full day Kindergarten. Also, start-up grants of \$50,000 for a total of \$2.5 million will be made available to 50 schools to develop "Family Friendly Centers" where children can stay until their parents return from work.
- The administration streamlined the subsidized child care system by awarding one contract in each county to an agency responsible for child-care voucher programs for welfare recipients and low-income families.

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