Trapped in the Day-Care Maze: Can the GOP Rescue Kids from a Byzantine System?

By DOUGLAS J. BESHAROV

Two-year-old Andre was going to have a busy day. After spending the morning at the Keys of Life Child Development Center on 12th Street NW, he was supposed to make a crosstown trek to another day care facility in Kalorama. Instead, he was run over by the bus that was to take him there and died in a hospital bed a few hours later.

Andre's death was a rare tragedy, but it highlights a very common problem: Over the last 30 years, Congress has created a patchwork of nearly one hundred separate child care programs that forces children to bounce from one facility to the next and wastes scarce child care dollars by creating unnecessary overhead and bureaucracy.

Given the general Republican antipathy toward federal social programs, advocates for the poor fear their programs will be gutted by the incoming Congress. But there is good reason to think that the GOP will actually bring some much-needed reform to what has become a confusing maze of social welfare programs. The Republicans, less vested in the existing system since it was mostly created by Democrats, are poised to propose a series of huge block grants in such areas as job training, nutrition, social services and child care that could greatly streamline the current byzantine structure.

How bad is the child care situation and why would a block grant make sense? Over the past 20 years, federal funding for child care services has risen sharply, more than doubling to $8 billion in the past four years alone. This increased funding has given rise to no fewer than 93 different federal programs, administered out of 11 agencies and 20 separate offices. The Department of Education alone, according to a new study by the General Accounting Office, has six offices that fund child care programs.

Nearly all of these programs serve essentially the same population of low-income children. Head Start, the largest with a budget of $3.3 billion, serves children from families whose income is below the federal poverty line; the Child and Adult Food Program ($1.3 billion) subsidizes meals and snacks for low-income children in child care; Child Care and Development Block Grants ($893 million) give states funds to assist low-income families; AFDC/JOBS Child Care ($528 million) provides assistance to children whose parents are on AFDC and either working or in a job training program. And the list goes on.
With so much overlap, one disadvantaged child could be eligible for as many as 13 programs, the GAO report noted. Unfortunately, the funds from those programs pass through numerous federal, state and local agencies—that can't or won't pool their funds to serve one child.

Worse, since eligibility is based on the work status of parents, children can be forced to leave a program in mid-year—if mom or dad gets a job or loses one, enters a job training program or completes one, goes on welfare or leaves it. Lucky children will qualify for another program, if there is room, but even then they will likely suffer a disruptive setback to their preschool development. "This is the revolving door of publicly funded day care," says Richard Ruopp, former head of the Bank Street College and director of the National Day Care Study.

"The turf battles were just horrible," recounts Jean Layzer who, as executive director of a Massachusetts commission on early childhood programs, was charged with developing a plan for a universal system. "There was early childhood money all over, in welfare agencies, in social service agencies, in education agencies, in mental health agencies and in places you would never expect. No one wanted to give up even a small program in order to create a unified system."

As a result, most communities are left with a disconnected array of small programs that often keep the child only part of the day. This is particularly burdensome to parents who work and is precisely why children like Andre are bused from center to center. Few children suffer Andre's fate, of course, but many young preschoolers pay a heavy emotional toll for all the moving around they are forced to endure.

Annoying as it is for the families, the morass of programs is a nightmare to administer. "Child care providers spend more time trying to coordinate programs than operate them," protests one agency executive. Fitting the various pieces of funding together is like trying to complete a huge jigsaw puzzle. Needless to say, federal funds don't simply flow in: Each comes with its own complicated application and approval process that forces many programs to employ at least one full-time staff person to coordinate funding and document eligibility—resources that would be better spent on the children.

To their credit, both the Bush and Clinton administrations tried to make it easier for localities to integrate the various federal funding streams, but their ability to do so was sharply limited by the explicit statutory language that created most of the programs.

How did we get so many child care programs in the first place? Often, advocates decided that the only way to expand services was to create yet another program. This happened in many social programs. For example, Sen. Edward M. Kennedy (D-Mass.) said he was "responsible for tagging job training on anything that went through here," claiming this was the only way to expand such programs under Reagan and Bush. Perhaps so, but the programs were added under Republican and Democratic presidents alike.

The real answer is that every congressional fiefdom seemed to need its own child care, job training or other social welfare program. Take, for example, the notorious process that four years
ago led to the creation of the At-Risk Child Care and the Child Care and Development Block Grant programs. Essentially, these programs are the product of a fight for power over the issue of child care between the House Education and Labor Committee and the House Ways and Means Committee. Neither committee would give in, so the dispute was resolved by creating two new day care programs, one for each committee—but each serving the same pool of kids.

Repeat this process many times over and you see why six congressional committees and 11 subcommittees now oversee the major child care programs.

Child care is not the only area of federal social welfare spending that has turned into an irrational maze of disjointed programs. There are 154 job training programs, 71 social services and child welfare programs and—depending on how you count them—hundreds of nutritional programs, housing programs and health programs. Like child care, each comes with slightly different eligibility rules and services, but tremendous overlap. The result? Immense inefficiencies and confusion in the communities where the services are actually provided.

Under a federal system like ours, it is sometimes necessary to establish funding in a way that makes clear our national priorities, but there is no justification for the current cacophony of programs. Right now we have a disparate array of programs that have grown in size and complexity like cobwebs in the nooks and crannies of committee jurisdiction—all because Congress has lacked the central leadership to prevent individual committees from becoming policy entrepreneurs.

Since the 1970s, reformers have repeatedly criticized the patchwork of separate federal social welfare programs and have called for the creation of fewer and more flexible funding streams. Up to now, however, their efforts have come to naught—because each program had its protector in the well-entrenched congressional establishment. Even President Clinton's much-vaunted effort to "reinvent government" did not take on the congressional satrapies that such micro-programming has created.

The incoming Republicans are vowing to clean out the congressional cobwebs built up over four decades. And it looks like they will.

"From here on, I want to review issues, such as child care, on a system-wide basis, instead of program by program, as has been the case for the past 40 years. says Rep. Bill Goodling (R-Pa.), soon-to-be-chairman of the House Economic Opportunity (formerly Education and Labor) Committee. "It's ridiculous how all these programs got created—individual members looking to bring home the bacon with a new program, or one program being split in two just to satisfy petty jurisdictional squabbles."

The Republicans are now rushing to develop legislation that would transform scores of existing programs into a series of social welfare block grants. The leadership hopes to move these bills in the first days of the new Congress—before the new majority becomes invested in the status quo.
Opponents are already calling these block grants nothing more than a fancy excuse to cut spending. They claim that all we'll get is Reaganism revisited -- with a vengeance. To an extent, of course, they are right. Some Republicans are talking about using the block grant approach to justify deep cuts in social spending. But forces of moderation are likely to limit any reductions.

State governors, especially the 30 Republicans, have a powerful voice on Capitol Hill these days. Most have expressed a willingness to see spending reduced in return for greater flexibility to administer programs as they see fit. New Jersey Gov. Christine Todd Whitman, for example, has said that she could accept a 5 percent cut in welfare spending in return for greater autonomy. But the governors have also signaled opposition to any cuts beyond what would be gained from saving administrative costs. After all, they would be under pressure to fill the gap in any budget shortfall created by reductions in federal funding.

Senate Republicans too are likely to support block grants—but, more moderate than their House counterparts, they also will be wary of undermining programs for the disadvantaged. Sen. Nancy Kassebaum (R-Kan.), who will take over from Kennedy as chairman of the Committee on Labor and Human Resources, has warned: "The point of block grants and program consolidation is not so much to save money—although that may happen—but to make programs work more effectively."

There is good reason, therefore, to hope that the Republicans will free localities from the straitjacket of federal bureaucracy without unreasonably cutting financial support. If that happens, then disadvantaged children will be the real beneficiaries of the new block grants. And even some liberals may conclude there is a positive side to the changeover in Congress. Who knows, they might even hold their collective noses and cheer.

Douglas Besharov is a resident scholar at the American Enterprise Institute and a visiting professor at the University of Maryland's School of Public Affairs. He is the editor of the forthcoming book, "Enhancing Early Childhood Programs: Burdens and Opportunities."