+-----+ INFORMATIONAL LETTER TRANSMITTAL: 91 INF-33 | +-----+ DIVISION: Family & TO: Commissioners of Children Social Services Services DATE: June 25, 1991 SUBJECT: Child Care and Development Block Grant (CCDBG) SUGGESTED DISTRIBUTION: Directors of Services Services Staff Planning Coordinators WMS Coordinators Staff Development Coordinators Directors of Income Maintenance Child Care Resource and Referral Agencies CONTACT PERSON: Christina Hay, Bureau of Child Care (518) 474-9324 or (800) 342-3715 ext. 4-9324

ATTACHMENTS: None

FILING REFERENCES

| Previous<br>ADMs/INFs | Releases<br>Cancelled | Dept. Regs.<br> <br> <br> | Law & Other<br> Legal Ref.<br> <br> | Manual Ref.<br> <br> <br> <br> | Misc. Ref.<br> <br> <br> <br> |
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DSS-329EL (Rev. 9/89)

Date June 25, 1991

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The purpose of this INF is to inform social services districts and other agencies involved in the provision and development of child care of the existence of a new federal program. The federal Child Care and Development Block Grant (CCDBG) provides funds to states for child day care subsidies to low income families, as well as for activities related to improving the quality and availability of child day care services.

Under the federal Child Care and Development Block Grant Act of 1990, the State is expected to receive approximately \$42 million in FFY 91, and \$47 million in FFY 92. Funds must be used only to supplement funds expended for the support of existing child care services. Federal, State, or local funds cannot be supplanted in the utilization of CCDBG funds. The statute does not require any matching funds by states or local social services districts.

No less than 25 percent of the block grant funds are to be used for the following activities:

- o improving the availability and quality of child care services;
- o establishing, expanding or conducting early childhood development
  programs;and,
- o establishing, expanding or conducting before/after school care
   activities.

Of this 25 percent reserve, not less than 75 percent shall be spent on early childhood development programs and before/after school child care, and not less than 20 percent shall be used for quality improvement activities. The remaining 5 percent can be used in either way, providing some degree of flexibility in the use of funds.

With 75 percent of the block grant funds, both child care subsidies and activities to increase the supply and quality of child care are allowable. Child care subsidies may be given to low income families, defined by the statute as families whose incomes do not exceed 75 percent of the state median income. The Department will calculate this eligibility in terms of the state income standard. Within this eligible population, children with special needs and families with very low incomes are to be given priority for child care subsidies, which must be provided on a sliding fee basis.

Applying these percentages to New York State's expected FFY 91 appropriation of \$42 million the allocation would be as follows (in millions):

| 75% |        | 31.5 | child care subsidies or quality improvement activities                                |
|-----|--------|------|---|
| 25% | 18.75% | 7.89 | to establish, expand or conduct early childhood and before/after school child care    |
|     | 5%     | 2.1  | child care quality improvements   |
|     | 1.25%  | .51  | for either quality improvements or early childhood and before/after school child care |

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Some of the major activities and requirements under the block grant statute are highlighted below:

## Activities allowable under the block grant

- \* providing direct financial assistance to eligible families in a manner which allows parents the broadest possible choice of child care provider
- \* training and technical assistance to child care providers
- \* providing grants to child care providers for minor renovations and other activities to assist providers in meeting applicable State standards
- \* establishing or expanding resource and referral programs
- \* improving salaries or other compensation paid to CCDBG providers
- \* monitoring of compliance with licensing and regulatory requirements

## Requirements under the block grant

- \* establishment of a record of substantiated parental complaints, which is made available to the public upon request
- \* provision of unlimited parental access by all CCDBG providers
- \* provision of consumer education materials to parents and the public on regulatory requirements, complaint procedures, and child care policies
- \* all CCDBG providers are regulated or registered for payment
- \* establishment by October of 1992 of a child care voucher program which parents can use to purchase care from regulated providers
- \* provision of training on minimum health and safety requirements for all child care providers (except relatives)

New York State Department of Social Services is drafting a State plan to implement this program. The Department is responsible during the development of the plan to hold at least one public hearing and to seek local and State agency input on the services proposed under the State plan. Local social services districts are encouraged to submit testimony in writing as well as orally at the public hearings. An outline of services proposed under the draft State plan will be made available to the public and sent to local social services districts before the hearings. Date June 25, 1991

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The federal application for the CCDBG program must be postmarked by July 24, 1991. To meet this deadline, and to comply with State plan preparation requirements set forth in the federal regulations, two State hearings will be held. The first hearing will be held in Albany on Tuesday, July 16, from 1:00 pm - 4:00 pm in Hearing Room C of the Legislative Office Building. The second will be held in New York City on Thursday, July 18, 1991, from 1:00 pm to 4:00 pm in the courtroom at the United States Court of International Trade, 1 Federal Plaza, New York, New York. The Department will publicize these hearings in local papers throughout New York State and will include information on how the general public may access copies of the draft outline of proposed child care services.

Parties interested in offering oral testimony must submit typewritten testimony no later than July 12, 1991 to Christina Hay, N. Y. S. Department of Social Services, Bureau of Child Care, 11-B, 40 North Pearl Street, Albany, New York 12210. Time allowing, each person will have ten minutes to present testimony at the hearings. Those submitting written testimony only should do so no later than July 15, 1991.

The federal Child Care and Development Block Grant offers an opportunity for the state to advance its ongoing efforts in the coordination of New York State's child care services systems. The Department looks forward to working with agencies and organizations committed to the expansion and improvement of child care services for New York State.

> Joseph Semidei Deputy Commissioner Family and Children Services