

HB

215

February 8, 1977

TO: LISA  
FROM: JUDITH

RE: Day Care Appropriation

My conversation with Mr. Pitts on Monday, February 7, 1977, proved to be very beneficial. He briefed me on the background of HCS 750 which increased the subsidy by \$123,000 to include day care for AFDC recipients. The AFDC criterion was mandated to be the first priority and resulted in approximately 400 new children at \$12.00 per day X 21 days per month; in excess of the \$123,000.

Communities such as Anchorage began taking steps in September and October to reduce their clients to only those families in the lower one-third income categories. Mr. Pitts pointed out that the attached estimated supplemental funding would allow funding of day care in the three communities who are unable to fund all eligible families for the balance of the current fiscal year.

Families whose net income is \$7,000 or less are currently eligible in addition to all AFDC families. As I understand it, all other families have been rejected or in the process of being cutback. Fairbanks and Kodiak are currently providing day care to only those at the poverty level and Anchorage apparently will be initiating some additional cutbacks to reduce family eligibility to poverty-level.

Attachments:

Projected Supplemental Appropriation for FY 77  
Letter to Representative Larry Carpenter

*Thanks very much -*

# STATE OF ALASKA

JAY S. HAMMOND, GOVERNOR

## DEPT. OF COMMUNITY & REGIONAL AFFAIRS

OFFICE OF THE COMMISSIONER

POUCH B - JUNEAU 99811

February 7, 1977

The Honorable Lisa Rudd  
Chairman  
House Community and Regional  
Affairs Committee  
Alaska State Legislature  
Pouch V  
Juneau, Alaska 99811

*FAX please \$ 20,000 per mo.*

Dear Representative Rudd:

The following information is in reference to your inquiry regarding a supplemental appropriation for FY 77 Day Care Funding. Per your request we have projected additional funding to allow total funding of day care in the three communities who are unable to fund all eligible families for the balance of the current fiscal year. The required additional funding is:

1) Fairbanks North Star Borough	\$262,800
2) City and Borough of Juneau	76,100
3) Kodiak Island Borough	<u>73,600</u>
	\$412,500

*\$15,000  
\$7000 \$35,000*

These additional funds would cover the period of March through June, 1977, only.

*and 80,00*

The above total was computed based on the number of subsidized families plus eligible families rejected because of the lack of funds as of December 31, 1976, and using a standard gross index of ten percent overall during the last half of the current fiscal year.

I trust this information will be satisfactory. However, if you desire more please feel free to call me or Mr. Harvey Pitts, Day Care Coordinator in Anchorage, at 279-3462.

Sincerely,



Michael C. Harper  
Deputy Commissioner



FRANK J. GOLD, Ed. D.

Registered Psychologist

1221 COPPET

FAIRBANKS, ALASKA 99701

(907) 458-4409

452-8959

*for your information*  
*FJG*

January 7, 1977

Larry D. Carpenter, Representative  
Alaska State House of Representatives  
Pouch V  
Juneau, Alaska 99811

Dear Larry,

Please excuse the tardiness of this reply; I wanted to have a response to your letter and the letter written by Ann Maxton to you before you left Fairbanks for Juneau. Unfortunately, the beginning of the month is hectic--and a couple of court appearances didn't help.

The basic facts provided to you by Ms Maxton are basically correct: the amount of funding made available to the Fairbanks North Star Borough for day care assistance is simply inadequate to meet the demand. Although I was successful in getting a supplemental appropriation of approximately \$20,000 from the Office of the Child Care Programs Coordinator (the total for the Fairbanks North Star Borough thus totalling \$128,620), the demand for our community is probably in excess of \$300,000.

The day care assistance program is set-up so that five distinct income categories exist; as the parent's income goes up, the amount of state assistance decreases. Thus, we fund from 10% to 100% of the cost of care for those hours the parent is working and/or in training and/or in school. There is no funding available through this program for parents not meeting the above criteria; it is not a welfare operation.

In July and August, the word from the Coordinator's office was that we should advertise the program, get lots of eligible folks on the program, and that additional funding could be expected. Unfortunately, the extra funding could not come anywhere close to the unexpected demand within the Fairbanks North Star Borough. As soon as this became evident, we were told to eliminate those families within the top two categories--those folks making the most. Since then, categories #3 and #2 had to be cut out also. At this time, we are only funding those families who receive 100% support; these folks make less than \$7500 per year.

There is one additional constraint that must be noted: no matter what, those families who are eligible and are receiving AFDC, must be funded for the entire fiscal year; they cannot be

	Juneau	Kodiak	Fairbanks	Totals
Group I				
Income	0-5,999	0-6,449	0-6,900	
Families	20	24	73	117
Kids	31	37	113	181
Amount	35,376	42,504	129,360	207,240
Group II				
Income	6,000-7,999	6,450-8,599	6,900-9,200	
Families	18	15	35	68
Kids	28	23	54	105
Amount	28,987	23,760	55,598	108,345
Group III				
Income	8,000-10,999	8,600-11,824	9,200-12,650	
Families	20	12	35	67
Kids	31	18	54	103
Amount	24,763	14,414	43,243	82,420
Group IV				
Income	11,000-12,999	11,825-13,974	12,650-14,950	
Families	8	8	36	52
Kids	13	12	56	81
Amount	7,524	6,864	32,076	46,464
Group V				
Income	13,000-14,999	13,975-16,124	14,950-17,249	
Families	1	1	8	10
Kids	1	1	13	15
Amount	526	502	20,577	21,605
Totals of Groups	97,176	88,044	280,854	466,074
LESS (to be given 3/31/77)	21,076	14,444	18,054	53,574
TOTAL	76,100	73,600	262,800	412,500*

\* Total of Juneau, Kodiak and Fairbanks

this was prepared by Rocky MacKinnon with information furnished by  
Harvey Pitts, Child Care Coordinator, Dept. Community & Regional Affairs  
2/10/77

DOLLARS NEEDED NOW TILL END OF FY 1977

FAIRBANKS

Group 1	\$ 129,360
Group 2	55,598
Group 3	43,243
Group 4	32,076
Group 5	<u>20,577</u>

\$ 280,854

Less Amount

To Be Allocated - (18,054)

\$ 262,800

KODIAK

Group 1	\$ 42,504
Group 2	23,760
Group 3	14,414
Group 4	6,864
Group 5	<u>502</u>

\$ 88,044

Less Amount

To Be Allocated - (14,444)

\$ 73,600

JUNEAU

Group 1	\$ 35,376
Group 2	28,987
Group 3	24,763
Group 4	7,524
Group 5	<u>526</u>

\$ 97,176

Less Amount

To Be Allocated - (21,076)

\$ 76,100

ANCHORAGE - Approximately \$80,000 thru 6/30 to subsidize Group IV & V.

To: Members of the House CRA Committee

18 February 1977

The American Association of University Women wishes to lend its support to the passage of HB215. We spoke out strongly in favor of the original day care subsidy bill which has been providing day care assistance to low income children, assuring them the opportunity for licensed, qualified care.

As you must be aware, the availability of qualified child care is far less than the need. In fact more than 80% of the day care population in Alaska (children aged 0-9 years) is served by unlicensed arrangements of one sort or another. What is most startling is that there are hundreds of young children in our state without any care at all. One reason for this situation is that parents cannot afford to pay the seemingly high cost of qualified care which averages about \$10/day. That is \$200/month (or \$2,400/year) which is as much or more than a family must pay for food or rent. Consider that cost to a family earning a \$10,000 to \$12,000/year salary. And child care costs are on the rise. Care givers are no longer willing to work for poverty wages at what may be one of the most important jobs in our nation, one unequalled in responsibility, stress and long hours, even though the going rate of \$5/hour for child care staff can hardly be said to be an incentive to enter that line of work.

Only two years ago when the subsidy bill was introduced, the average cost of care in Alaska was at \$7.50/day (according to the League of Women Voter's "Alaskan Day Care: Quality and Cost" pg. 6). Two years before that it was \$5/day in Alaska, and nationwide the national average was \$3.50/day! In 1965, however, seventy to eighty percent of the child care arrangements in the nation were free from an adult relative or through trade arrangements with friends and neighbors (see the League's "Day Care - Alaska's Unmet Need" pg. 2+3). As you can see, child care costs are rising at a phenomenal rate - far faster than people's salaries - yet even at the present rate of \$10/day the cost is no greater per hour than what we would pay the casual babysitter for watching TV at night while the kids are asleep. For little over a dollar an hour we expect the care giver to provide the major upbringing of a child during almost all of that child's waking day.

The question then always arises whether one parent shouldn't be staying home with his young children instead of "choosing" to work outside the home. Statistics from the Dept. of Labor's Women's Bureau in their "Handbook on Women Workers, 1975" show that over 70% of all working women have more than good reason:

29% had husbands earning less than \$10,000

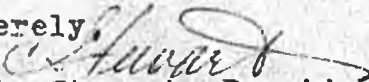
19% were widowed, divorced or separated

23% were single.

Working mothers would fall within the first two categories and over 50% of all mothers with children under age 18 are working. In fact 33% of white women and 52% of minority women with children under age 6 hold jobs outside the home!

Parents are not staying home because they must work, and their children deserve and need adequate care. We feel that the additional subsidy requested in this bill is valid and desperately needed by Alaskans to meet the soaring cost of child care.

Sincerely,

  
Connie Stewart, President

American Association of University Women  
Juneau-Douglas Branch

February 21, 1977

TO: STEVE COWPER, CHAIR  
HOUSE FINANCE COMMITTEE

FROM: LISA RUDD, CHAIR  
COMMUNITY & REGIONAL AFFAIRS COMMITTEE

RE: HB 215 - Supplemental Appropriation for the Day Care  
Assistance Program

The Community & Regional Affairs Committee, after hearing testimony from the Community and Regional Affairs Department and the managers of the day care assistance program in Juneau and Anchorage and from a day care provider in Fairbanks, has reduced the requested appropriation from \$412,500 to \$368,750.

While the department had allowed for maximum possible growth in the program for the next four months in arriving at the \$412,500 figure, testimony from the program managers and provider indicated that such dramatic growth was not likely to take place. Therefore the committee chose a figure which would allow some growth in the program, but not as much as originally predicted by the department.

It is proposed that the \$368,750 appropriation be divided in the following way:

Fairbanks North Star Borough	\$183,960
City and Borough of Juneau	53,270
Kodiak Island Borough	51,520
Municipality of Anchorage	80,000

The Community and Regional Affairs Committee would like to draw the Finance Committee's attention to the need to increase the FY'78 appropriation for the day care assistance program by at least the \$368,750 which is being added to this year's appropriation. The department testified at our hearings that the amount shown in the Governor's budget for FY '78 is simply a maintenance budget based on the original FY'77 appropriation.



## Fairbanks Summer Day Camp

P.O. Box 80452

Fairbanks, Alaska 99708

(907) 479-6844

2/19/1977

To: House C&RA Committee

From: John Hartle

re: HB 215 meeting of 2/18 with Harvey Pitts,  
Theressa Donnally, Margo Dick,  
Lisa Rudd, myself

Dear Committee members,

In my recollection, the way we arrived at a new figure for the Day Care Assistance supplemental appropriation began with our questioning Mr. Pitts, statewide DCA coordinator, on how he derived the original one. He explained exactly the factors he considered and how he had weighted each factor. We asked him how varying the amount would affect the program, statewide, during the next four months. Eventually we arrived at a figure (368,960. or close) we were all comfortable with; it allows for reinstatement of the program at the original level with a moderate growth factor. It would take up all the people who were dropped, include the waiting lists and plan for a reasonable, but less than maximal, growth. This seemed entirely satisfactory to all present and I urge your support for this important bill.

I would like to thank Rep. Phillips and the committee for enlisting my help on this problem, allowing my voice to be heard on a matter that concerns me deeply. Thank you.

Sincerely,

John Hartle

c.c. Harvey Pitts  
Theressa Donnally  
Margo Dick

# Municipality of Anchorage

## MEMORANDUM

DATE: February 17, 1977  
TO: Therese U. Donnelly  
FROM: Rita Jacobs *R.J.*  
SUBJECT: Insufficient Funds Denial

### CRA DENIALS GROUPS IV and V EFFECTIVE MARCH 1, 1977

Number families denied 43  
Total children 54

#### State Share Group IV and V

20%	30%	40%	50%	60%
1	1	40	4	8

Cost. To. STATE  
50.40    75.60    4032.00    504.00    1209.60

Mo. est. 5871.60

OF the 43 families above:

27 were single-parent families

16 were two-parent families

When the above 43 first enrolled they were in the following groups:

Group I - 5  
II - 4  
III - 19  
IV - 8  
V - 7

AFDC Statistics as of February 1977

Group I 100% ..

Total Families Participating 139  
Total Children 170

Ages	Number	Monthly Cost per Child	Monthly Cost.
0-12 months	11	@\$315.00	\$3465.00
1-6 years	141	@\$252.00	\$35,532.00
*over 7 years	18	@\$147.00	\$2646.00
Total Monthly Cost			\$41,643.00
Annual Cost			\$499,716.00

\*Cost for Part Time slot does not include cost for summer vacation or school holidays.

MUNICIPALITY OF ANCHORAGE  
 OFFICE OF HUMAN DEVELOPMENT  
 DAY CARE ASSISTANCE PROGRAM

DATE: as of January 31, 1977

I. FAMILY DATA	1975	1976	1977
a. Number single parent-fathers in program		32	14
b. Number single parent-father's children		46	22
c. Number two parent households worked thru program		43	4
d. Nuber single parents worked thru program		6	1
e. Number families closed		205	203
f. Number denied on original application		74	178
g. Number families moved out of area		12	13
h. Number families from AFDC to CRA		35	11
i. Number families from CRA to AFDC		14	6
j. Number from CRA to AFDC paying own daycare		Unknown	1
k. List the number of families transferring from higher subsidy group to a lower subsidy group		Unknown	73
l. List the number of families transferring from a lower subsidy group to a higher subsidy group		Unknown	57
m. Number families to return to full-time school		5	10
n. Number families that have children over age seven		9	9

DEPARTMENT OF COMMUNITY AND REGIONAL AFFAIRS  
DAY CARE ASSISTANCE PROGRAM  
MONTHLY LOCAL AGENCY STATISTICAL REPORT

From MUNICIPALITY OF ANCHORAGE  
(name of local administering agency)

For the month of JANUARY, 1977  
(Incomplete: 1 billing not added as of 2/17/77)

I. UNITS OF SERVICE DATA	Reporting Month	Year to Date
a. Number of part time units of service (P)	982	5801
b. Number of full time units of service (F)	7943	51189
c. Number of more than full time units of service (M)	51	563
d. Total units of service delivered (P + 2F + 3M = total)	17021	109868
e. Total units of service delivered in centers	11829	80907
f. Total units of service delivered in homes	5192	28961
II. COST DATA		
a. Total cost of day care for CRA program children	\$92,195.08	\$561,945.45
b. Cost to parents for care of program children	16,311.29	89,649.26
c. Cost to state for care of program children	75,883.79	472,296.19
III. FAMILY DATA		
a. Number of new families entering program	88	515
b. Number of new children entering CRA day care	121	743
c. Number of new families in which one parent or guardian is enabled to work because of CRA day care assistance	69	398
d. Number of new families in which one parent or guardian is enabled to train or go to school because of CRA day care assistance	14	67
e. Number of new families in which one parent or guardian is enabled to work and train because of CRA day care assistance	5	48
f. Number of new families in Income Group I	44	312
g. Number of new families in Income Group II	7	52
h. Number of new families in Income Group III	23	107
i. Number of new families in Income Group IV	8	24
j. Number of new families in Income Group V	6	15
k. Number of new single parent families	72	346
l. Number of eligible families rejected because appropriate licensed space unavailable	N/A	N/A
m. Number of eligible families rejected because of insufficient program funds	N/A	43
n. Number of families certified eligible for AFDC or WIN benefits receiving program funds	24	202
o. Reviews	132	747
p. Denied	5	178
Closed	61	203

# LEAGUE OF WOMEN VOTERS OF ALASKA

HB 215

The League of Women Voters of Alaska is firmly in support of HB 215 and urges its swift passage, since passage much after March 1st will ~~require additional appropriation and~~ will cut deserving parents unnecessarily from the program. The League has been a strong backer of day care assistance, and our statewide position established just last year after careful study states that "supplemental financial and regulatory responsibilities should be shared by all levels of government to insure that day care is of high quality and available to those who need it".

I would like to underscore the fact that care given to children under this Dept. of Community and Regional Affairs program is required to be licensed by the State and is therefore providing a basic quality that is unavailable to too many Alaskan children. In fact 85% of the children in Alaska are cared for outside the home in unlicensed facilities. That is 17,000 kids (almost 9,000 in Anchorage alone) with working parents or a working single parent who must rely on arrangements that may be less than satisfactory because very few young families in the big cities have relatives close by that are available to help provide care. It is especially interesting to follow the licensing pattern that this program has produced. As parents become aware of their eligibility in the day care subsidy program, they tend to pressure their "babysitters" to become licensed, thus increasing the quantity and quality of overall childcare in Alaska. In Anchorage, for example, the number of available day care slots for 11,000 kids was 1,300 in October, 1975, when the program began. At the end of this last fiscal year it had risen to over 2,000 and now the number of slots has expanded to 2,400 with 300 more ready for processing. The same has happened in Kodiak and Juneau where available slots have doubled since the program began.

I would like to remind this committee that parents work because they have no other economic choice. Most employed parents are widowed, divorced, separated, or their spouse is earning less than \$10,000 a year; and in fact 52% of all minority women with children under the age of 6 are employed (compared with 52% of all women with children under 18) according to U. S. Dept. of Labor statistics. Low income working parents are faced with day care expenses that few can adequately meet. The going rate for childcare is about \$10 to \$12 a day (with infant care as high as \$15 to \$17 a day) and that is up drastically from only four years ago, for providers are no longer willing or able to work for poverty wages. That daily rate for one preschool child adds up to between \$2,400 and \$3,000 each year, or more if a family has more than one child. Working parents need to fund additional childcare during the summer months when school is out of session. That yearly sum takes a pretty hefty bite out of even a \$10,000 a year salary. When you add up the costs of rent, food, clothes, utilities and taxes, not to mention car and medical expenses, you may find the salary already expended past its limits. And yet in Fairbanks, for example, we understand that the program has already had to cut back service to all but those families whose combined income is \$8,000 or less!

The League feels that this program can therefore not yet reach significant numbers of people for whom help was intended. It would pay, for example, all or most of a family's day care expenses, allowing that family frequently to pull itself up from reliance on welfare; and yet ~~would~~ not support that family during the trying months that follow when the family is or would be actually paying more and more of its own share, requiring less and less from the State program. One particularly revealing case is

that of an Anchorage woman who recently called the CRA office. She explained how the program was keeping her family unit together because previously she had to hold down three jobs as a single parent to provide for her family -- two during the week and one on the weekends. The subsidy program permitted her to live normally with one job and to be with her children. She worked her way up to level IV in which she was paying 50% of her childcare costs. But as of March 1st she would be dropped in the cut back, and she was calling in tears because this was going to force her to disrupt her family, to dissipate her resources and her energy just trying to make a living wage.

We understand the reluctance of some of you to grant supplemental budget appropriations, however in this case we feel that the grant is not only justified but vital to the parents and children involved. The Dept. of CRA had little way of knowing last year how many families would actually be applying for the available monies. The need was greater than many realized and we are seeing now the results of the program's success in responses from families and the mushrooming of available licensed slots. We are seeing success in the movement of families into, up through, and out of the program.

But there is one further important reason that we feel that the Dept. should not be jeopardized for using up existing funds. Last year's SB 753 which caused such flack at the end of the session contained some unalarming language that changed the definition of child to include "a child determined to be eligible for assistance under AS 47.25.310-47.25.420 and living with a family receiving benefits under AS 47.25.30 - 47.25.420." This in effect put the AFDC and WIN kids into the CRA program and out of Health and Social Service. Since Title XX funds could not be spent through the CRA Dept., those funds were reallocated to other areas within the Dept. of HSS, and only the State of Alaska general fund match monies were transferred for the use of the CRA Dept. to maintain the program. In other words 100% of the AFDC and WIN children were transferred to CRA, but only 20% of the money that it took HSS to run the program were transferred over. This financial burden has greatly affected the intent and expansion of the subsidy program, for monies which would otherwise have gone into the subsidy program have had to go to fully fund the AFDC kids which under law have priority. I should mention, however, that aside from the undue financial burden placed upon the Dept. of CRA, the overall move of AFDC and WIN kids out of HSS has been most beneficial. Prior to the move many childcare facilities refused to take state subsidized children ("welfare cases") and most day care homes would not. Now under the Dept. of CRA the stigma is gone and facilities are cooperating and new slots are opening up weekly.

We commend the Department of Community and Regional Affairs for a job being well done in helping communities take responsibility for their day care populations. We feel that the added supplemental appropriation asked for in this bill is not at all unreasonable or unjustified and we urge quick passage.

Sincerely,

Susan R. Clark  
Human Resources Lobbyist  
League of Women Voters of Alaska

# Lack Of Funds Cuts Day Care Subsidies

About 10 per cent of the Anchorage families receiving state-subsidized day care are being dropped from the program because of a lack of funds, a municipal official said yesterday.

Theresa Donnelly, coordinator for the Municipal Day Care Assistance Program, said 60 families with a total of 73 children are being dropped from the program effective today because there are not enough state funds left to carry the program through June 30, the end of the state's fiscal year. During February 515 families with a total of 743 children participated in the program.

The legislature authorized the subsidized day care program in 1975 with the hope that welfare parents might have the incentive to seek jobs if they received help with the high cost of day care. Working parents pay for the day care on a sliding fee scale based on their income and the state picks up the remainder of the day care costs.

Mrs. Donnelly said the state pays a maximum of \$12 per day for each child over a year old who is in a licensed care center and a maximum of \$15 a day for infants. The average cost of children to age one is \$315 a month and \$252 a month for children over the age of one year.

Mrs. Donnelly fears that people holding down paying jobs might go back on welfare since they cannot afford to pay 100 per cent of day care costs for their children. Some of the participants in the program are "talking about resigning their positions and going back on welfare" since they were notified of the program cutbacks, Mrs. Donnelly said.

Involved are parents who were on welfare, then found low-paying jobs and have worked their way up to higher salary ranges.

The families who were cut off from the program today have adjusted incomes ranging from \$11,000 to \$14,999 annually, Mrs. Donnelly said. Additionally, persons who make between \$8,000 and \$10,999 must pay a larger percentage of the day care costs for their children, she said.

Those who do not have large financial commitments are being asked to pay 40 per cent of the costs of caring for their children. They now pay 20 per cent.

Mrs. Donnelly said this is being done in an effort to maintain those in

the lowest income brackets in the program. She also said in the last six months some parents have been voluntarily increasing their own payments so that more could remain in the program.

The municipality is spending about \$7,000 a month more than the \$70,000 it is receiving from the state, said Mrs. Donnelly, "which means there is an immediate need to cut some people off the program" in order to maintain those at the lower end of the income scale.

The municipality has a total grant from the state of \$841,044 for fiscal 1977, she said.

That amount of money probably would have been enough to subsidize working parents if the legislature hadn't last year moved day care payments to parents on the Aid to Families with Dependent Children from the Department of Health and Social Services to the Department of Community and Regional Affairs which administers the first program.

The government picks up 100 per cent of the day care costs for the dependent children aid recipients. "The impact of ADC recipients took half of our annual allocation," Mrs. Donnelly said.

A bill which would ease the situation has been introduced in the state legislature. The bill, sponsored by the Community and Regional Affairs Committee, calls for a \$368,750 supplemental appropriation to fund the statewide program through the end of this fiscal year.

The bill has already received approval from the sponsoring committee and is likely to win favorable recommendation from the House Finance Committee, which reportedly plans to reduce the appropriation before sending it to a vote of the full House later this week.

"We're hoping it will have some kind of priority and move through as quickly as possible," Mrs. Donnelly said.

If the legislature approves the appropriation, a portion of Anchorage's share would be used to make retroactive payments to providers of day care. Mrs. Donnelly said that the families who are being deleted from the program can be reimbursed for day care expenses retroactive to March 1 if they leave their children in licensed day care facilities.

# STATE OF ALASKA

DEPT. OF COMMUNITY & REGIONAL AFFAIRS

DIVISION OF COMMUNITY & RURAL DEVELOPMENT

JAY S. HAMMOND, GOVERNOR

Bayview Commercial Bldg.  
Suite 230  
619 Warehouse Avenue  
Anchorage, Alaska 99501

March 14, 1977

Mr. John Swan  
Director  
Eneput Children's Center  
P.O. Box 80452  
College, Alaska 99701

Dear John:

I have been asked to respond to your letter of February 22, 1977 to Commissioner McAnerney regarding the supplemental appropriation for the Child Assistance Program which is contained in House Bill 215. Your letter to Commissioner McAnerney was written on the day before our last conversation in Juneau, which took place on February 23, 1977. Therefore, we have already discussed most of the points mentioned in your letter. However, I will again address each of those points in an attempt to "clear the air" regarding our position on the supplemental appropriation itself.

In your letter you state that "...Community and Regional Affairs personnel do seem ill prepared to ask for a supplemental appropriation that is in excess of the original appropriation for most communities...". Let me assure you this is not the case. In fact, the opposite is true. Our files contain statistics gathered from each community in the state where a child care assistance grant has been made. Further, these files are more complete than any files which may be found anywhere else in the State with regards to the Day Care Assistance Program. It was this data, which we have carefully gathered over the past year and a half, that was used to compute the \$412,000 figure which was originally submitted in answer to an inquiry from Representative Lisa Rudd. The \$412,000 figure was computed using growth patterns that have occurred throughout the State over the past year and a half of program operation. I still believe that figure to be reasonable, and not in the least over stated.

We too feel that the Day Care Assistance Program is providing an extremely important service to our low income and single parent families throughout the State.

Our original objection to a supplemental appropriation stems from the administration's position of holding the line on all program expenditures. Obviously, a supplemental appropriation would be in opposition to that position. However, the administration's present

position is that the supplemental appropriation for the Child Assistance Program will not be opposed this fiscal year. However, any increase in the administration's recommendation for the Day Care Assistance Program next year must be accompanied by a concomitant reduction in program expenditures in other areas, or an increase in revenues.


Most of your testimony and the objections which you voiced to me privately centered around the fact that there does not exist sufficient licensed spaces to expend the supplemental appropriation in Fairbanks or Juneau. In my response to that allegation, I have stated that where sufficient demand and Day Care Assistance funding are available in the various communities throughout the State, we have observed that the number of licensed spaces trends upward to accommodate. For instance, in June of 1976 there were 295 licensed child care spaces in the Fairbanks North Star Borough. Even though the Day Care Assistance Program funding in Fairbanks was limited to an amount less than could have been utilized, on January 19, 1977 the number of licensed spaces in the Fairbanks North Star Borough had grown to a much higher total of 431. This represents an increase of 46% in licensed spaces available; which, I'm sure, is at least in part due to the Day Care Assistance Programs as well as the demand for licensed child care in Fairbanks. You also mentioned the program in Juneau. Like the Fairbanks North Star Borough, the City and Borough of Juneau has realized a substantial increase in the number of licensed child care spaces during that same period of time. In June of 1976 there were 273 licensed child care spaces available in Juneau, Alaska. However, as of January 19, 1977 this figure had grown to 513 licensed child care spaces. This represents an increase of 88%, and again, like Fairbanks, the City and Borough of Juneau also received a day care assistance grant which was less than could have been expended in that community! In June of 1976 the Kodiak Island Borough contained 91 licensed child care spaces. On January 19, 1977 the number of licensed child care spaces had grown to 199, an increase of 119%! In the smaller communities-the City of Petersburg-in June of 1976 there were 46 licensed child care spaces in the City of Petersburg. On January 19, 1977, the total number of licensed child care spaces in the City of Petersburg had increased to 62, an increase of 35%. In June of 1976 the Municipality of Anchorage contained 1,929 licensed child care spaces. On January 19, 1977 this figure had grown to 2,419, an increase of 25%. In every instance these figures lend validity to my statements regarding program growth in various communities wherein the day care assistance grants are available, and any figures regarding the need of a supplemental appropriation for day care assistance which does not consider the growth factors quoted above are certainly unrealistic.

At any rate, John, it appears that our debate is academic, since it is now apparent that the supplemental appropriation will not be passed in time for it to be utilized during the month of March. I do want to thank you, though, for your efforts on behalf of the many families throughout the State who have benefitted and who, hopefully, will continue to benefit, from the State Day Care Assistance Program. It is through constructive criticism such as your's that those of us who are responsible for administering the program receive many ideas which are vital to the proper evolution of the program, and gives us more and more insight into the problems encountered at the local level. We hope to continue working with you in the future to provide the best possible service to the families and children of this State.

Again, let me assure you that everyone connected with the administration of the Day Care Assistance Program is interested in providing the best possible service with the limited resources we have.

If you should ever find yourself in Anchorage with a few spare moments, please do drop by the office so we can chat. Meanwhile, if we can be of further assistance to you, please do not hesitate to contact us.

Very truly yours,

  
F. Harvey Pitts  
Child Care Programs  
Coordinator

FHP:sb

cc:  Commissioner McAnerney  
 Representative Lisa Rudd  
 Jessie Dodson

February 26, 1977

TO: All Alaska Legislators

RE: Supplemental Day Care Appropriation

We, the undersigned, wish to express our support of the supplemental appropriation now before the legislature which would provide for the continuance of the state's day care assistance program through the remainder of this fiscal year.

We urge you to consider Alaskan families' dramatic needs for day care assistance (outlined in the Status of Women in Alaska 1977 report) as an issue of high priority during this legislative term.

Thank you.

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