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give every family in the Washington metropolitan area its own private bus.

That's just the construction cost. We haven't even talked about operating deficits which are projected at \$20 million a year if they only run this underground version of the Penn Central five days a week. If the politicians are already conceding an operating deficit of that size, you can imagine what the real one is going to be. One Metro board member suggested that they save money by not running it at all for two years.

They keep telling us that once the system is all built there'll be enough passengers for the thing to pay for itself. There won't.

New York City, where people live in high rise apartment buildings and work in 100-story skyscrapers, has enough population density to have a subway system which comes fairly close to paying its expenses. Because Washington is the only major city in America with an absolute height limitation on its buildings, not enough people exist who go downtown every morning to the same place.

Metro is the most expensive monument to the automobile that we have yet built. Its only visible function is to save two lanes of traffic for cars to smoke, stall, and snarl on. If you want to get cars off the streets the last thing you want is a subway.

The first thing you want are trolley cars. Even without limiting lanes to their exclusive use, trolleys are unsurpassed discouragers. Buses are very good but a clever driver can sometimes wiggle around them and make time. Trolleys, with their lack of maneuverability and their fixed rail inevitability, are apocalyptically infuriating.

They're not as cheap as buses but trolleys are so much cheaper than subways that you could have them running all over the city where they might be of some service to the inhabitants. Metro is chiefly a worker-moved plush conveyance by which the higher paid suburbanites are taken to their offices. It's another middle class subsidy disproportionately paid for by low-wage workers who won't have any need for it.

The modern trolley has been rechristened with space age initials. It's called an LRV, or light railed vehicle, and a subsidiary of Boeing makes them. The new ones are said to be silent, smooth and altogether comfortable, but in addition to a weirdo electronic horror they come with the traditional bell. Ah, Washington could have had the merry clang return to its streets.

Your modern trolley isn't a trolley, of course. It lacks the one thing your classic trolley had which is a trolley, that is the pole on the roof going up to the wire. The contemporary trolley gets its power from a third rail buried in the ground so pedestrians need not worry about electrocuting their toes. Unhappily today's trolleys, or streets cars as they ought to be called, have fallen into the hands of the industrial designers. They look like fast-moving pieces of modern furniture which is too bad for the kids who used to be able to leap on the backs of old-time trolleys and hitch free rides. By grabbing hold of the guide line that came down from the trolley pole one kid, or two or three or even sometimes four really crazy kids could cage their free ride on the back of the trolley and save a nickel that might be more enjoyably spent at the pitcher show, as they used to say.

The motormen were always stopping the trolley to yell, "Get offa dere, ya crazy kids!" Between him stopping the car and getting out to yell and the kids accidentally yanking the trolley from its wire by pulling too hard on the guideline, it was possible to have a slow, enjoyable ride. In many places in the summer time they had trolleys without windows so that you could poke your head out and smell bakeries, breweries, dairies, stables, and lots of other things

pleasant and unpleasant, for trolleys belonged to a time when people ate food and not industrial products.

Mothers on trolley cars made their boys and girls give their seats to women, older people and other mothers with babies. Courtesy to strangers wasn't regarded as weakness in the race to the top and going eyeball-to-eyeball wasn't a test of character because it was impolite to stare at people and make them feel uncomfortable.

In some cities, even until quite late in the onward march of progress, street cars had coal stoves in the winter and a conductor to take fares, give transfers, provide information and enforce public decorum. The motorman's job was to drive the trolley safely and attentively. The economists call that labor intensive which is bad and backward. The new subways are designed to have nobody or next to nobody on the trains. They are equipped with sensing mechanisms which will pick up the existence of your dead and bleeding body after a gang of adolescents rises not to give you their seats but to smash your head senseless against them.

At night the trolleys used to sleep in a place called the car barn. The car barns were often red brick structures with much cast iron machinery painted red. They would sometimes be presided over by a foreman with a name like McGinty. The McGintys are but distantly remembered now as stern but fair, a trifle fast with their tempers but not given to holding grudges nor indifferent to those they referred to in a fine and grand way as "the men." Here and there along the old trolley lines, usually at switching points, there might be small sheds with tar paper roofs out of which grew stove chimneys. On winter nights the lights from their windows shone yellow and men in dark work clothes could sometimes be seen smoking and reading the papers. Maybe none of it ever existed but the myth of it does and that had to come from somewhere.

Buses are the cheapest and, if correctly managed the most convenient kind of metropolitan transport, because the roads for them to run on have already been built and in some instances actually even paid for. Americans love anything that rides on rails, though, and in Washington much of the trackage for a good trolley system is already laid but covered over with macadam. Except in Georgetown where the tracks on Wisconsin Avenue are still exposed and ready to use.

By conservative estimates a subway is ten times more expensive to build per mile than a trolley line. Maybe it's worth spending the money for national prestige. London, Mexico City, Paris and Moscow have subways so, although it's a little lame, you can argue Washington ought to have one. The truth is that Metro is the last, most expensive mishegas of that awful marriage between engineers, bankers, contractors and thoughtless social visionaries who do, who really do in their heart of hearts believe money can solve any problem.

In Washington's case the pouring out of these billions has delayed solution of the problem. With reliance on buses the metropolitan area could have taken care of its transportation, traffic and auto pollution problems in six or eight months. Trolleys would have cost more and taken a couple of years, but they're fun and with an imaginative set of people running them we might have had some of the delightful, antique trolleys back on the streets . . . the ones with the cow catchers, the different shaped roofs and the noisy compressors under the floors. People probably would have paid a premium to ride them as they dawdled to work fantasizing about 5-cent beer, Grif-fith Park and the era when we were first in

war, first in peace and last in American league. Now last in war, last in peace and outta the league, drowning in a \$7 billion hole in the ground.

Setting up a better than adequate bus service in six months may sound miraculous. It isn't. We would have to buy some more buses and hire some more drivers but the rest is simple: The major bus arteries are then prohibited to all other vehicles except trucks and taxis. This forces commuter traffic back on to secondary streets all of which are meticulously converted back to two-way thoroughfares; the traffic light system is adjusted to favor the buses and in a trice, for practically no money, the people in the buses are getting in and around town in a quarter of the time it used to take them. The people in the cars will find out it takes them four times as long so they will quit using them, thereby reducing the air pollution and driving up the volume of business on the buses.

Better than a subway system which won't be finished and which will only run week days during working hours? The bright ray in the Metromess is that it can be paid for without raising taxes again. We should have a multibillion dollar lottery with the top prize going to the first victim of a Washington subway mugging.

CHILD CARE PROVISIONS IN H.R. 9803

Mr. MONDALE, Mr. President, I rise to comment briefly on H.R. 9803, which the Committee on Finance ordered reported last week. That report has just been filed by the chairman of the committee, the Senator from Louisiana (Mr. LONG).

Let me take this opportunity to commend the chairman for his creative and resourceful leadership on this legislation.

BACKGROUND

I believe all my colleagues will recall how the need for this legislation arose. Under the provisions of legislation we enacted last fall creating title XX of the Social Security Act, an effective enforcement mechanism was created to assure that federally assisted child care programs under that act comply with the Federal interagency day care requirements—FIDCR. These FIDCR requirements have been in effect since 1968, but in too many cases they simply never were enforced. For that reason, the Congress, in its consideration of title XX, modified the FIDCR requirements substantially with respect to school-age children, and educational services; provided that funds would be terminated for any programs not in compliance with these modified FIDCR requirements by October 1, 1975; and ordered HEW to conduct a thorough and in-depth "appropriateness" study of the FIDCR requirements and report its findings and recommendations to the Congress in the early months of 1977. The amendment assuring that these modified Federal standards would apply, which Senator BUCKLEY and I sponsored, was adopted by a vote of 67 to 20.

The prospect that these FIDCR requirements would be enforced as modified beginning October 1 of last year created growing concern on the part of

many child care providers and many States which administer these programs. It was clear that many existing programs simply did not meet these requirements, and that strict enforcement would require closing many programs, reducing the number of children served so the adult-child ratio would improve, or substantially increasing the costs of operating them. Yet, since no funds were provided to help meet the costs of the additional staff needed, the result in almost all cases would have been that fewer children could be served.

MONDALE, BUCKLEY, RIBICOFF LETTER

At this time, several Members of Congress were urging HEW Secretary Mathews to postpone implementation of or provide statewide exemptions from the FIDCR standards. Senator BUCKLEY, Senator RIBICOFF, and I wrote Secretary Mathews urging him to "deny any such requests and to implement and enforce these standards as planned." Our letter said, in part, that—

These standards provide a minimal level of protection for children in day care, and must not be weakened or delayed.

I ask unanimous consent that a copy of this letter appear at the close of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

HOUSE ACTION

Mr. MONDALE. The House of Representatives passed legislation last September which postponed for 6 months the requirement that child care centers meet the staffing standards for children between 6 weeks and 6 months.

Yet, postponing these requirements did nothing to assure that the children we are concerned about would be in healthy and safe environments. It did nothing to encourage and make it possible for programs to come into compliance. It simply put off for 6 months the problems we were facing, with no hope of remedying the problems in the interim, and no reason to believe that we would be in any better position to deal with them then than we are now.

S. 2425

The distinguished chairman of the Finance Committee, Mr. LONG, proposed a far more thoughtful approach to that problem. Rather than simply proposing that we postpone enforcement of the standards, he introduced on September 29, 1975, legislation (S. 2425), which I cosponsored, designed to provide the funds necessary to bring programs into compliance over the short term.

That legislation would have made available to States an additional \$250 million for child care for the remainder of this fiscal year—and an additional \$500 million for succeeding years—on top of the \$2.5 billion currently available for social services.

Those additional funds for child care would have been allocated among the States on the basis of State population in the same way as the \$2.5 billion for social services is now allocated. And, the

Federal matching rate would have been raised from 75 to 80 percent for child care paid out of this new funding.

In order to provide additional help to programs which need to add staff in order to meet these standards, and to keep the fees down this bill provided a 20-percent tax credit on the first \$5,000 of wages paid to welfare recipients employed in child care centers under this funding. And, very importantly, the bill provided a payment equivalent to this 20-percent tax credit for the same purpose to public and nonprofit providers of day care who have no tax liability against which to apply a credit. This tax credit or the payment equivalent to it would be available only to programs in which at least 30 percent of the children cared for have all or part of their care funded through the title XX program.

Finally, the bill provided a 3-month delay—until December 30, 1975—in the imposition of any penalties for violation of the child care standards. This modest delay was provided in order to give child care programs an opportunity to come into compliance by using the additional funds the bill provides—rather than taking action in October which would have forced them to close down or cut back on the number of children they serve before the necessary funds become available.

SENATE ACTION

The Finance Committee concluded that it had not had sufficient time to consider that legislation prior to the October 1 deadline, and passed legislation simply providing a 1-month delay in enforcement of the staffing standards in order to allow sufficient time for consideration of proposals for dealing with the situation in a more substantive way. The Finance Committee then scheduled a hearing on S. 2425 and other proposals, for October 8, 1975.

CONFERENCE REPORT

The House conferees insisted that the House would need more time to complete action on this matter even if the Senate could send them a bill within a month. The conferees, therefore, agreed to provide a delay of 4 months in enforcing the standards.

The Senate conferees were very reluctant to agree to this long a postponement, but the House conferees saw no possibility that they could complete consideration of a more substantive proposal much quicker than this. They did, however, assure us that if the Senate can send them legislation dealing with the matter, they will act on it prior to the expiration of the 4-month postponement period provided for in the conference agreement.

FINANCE COMMITTEE HEARING

On October 8, the Senate Finance Committee held a hearing on the proposal, and I am pleased to report that witnesses representing a broad range of States and children's organizations indicated their support for this measure.

Individuals or organizations testifying in favor of S. 2425 included the American Academy of Child Psychiatry, the Black

Child Development Institute, the Child Welfare League of America, the National Association of Social Workers, and a panel of State welfare administrators including Herschel Saucier, director of Division of Social Services, Georgia Department of Human Resources; Frank Newgent, administrator, Division of Family Services, Wisconsin Department of Health and Social Services; Ewing Gourlen, director, Division of Family Services, Missouri Department of Social Services; and Dr. Robert M. Casse, Jr., director, office of Policy Planning and Evaluation, Louisiana Health and Human Resources Administration. I should add that almost all of these individuals or organizations recommended amending S. 2425 to permit 6 months after enactment rather than 3 months as proposed for States to use the additional funds to hire and train staff before the FIDCR requirements were enforced.

Before the hearing, I received letters from Andrew J. Biemiller, director of the Department of Legislation of the AFL-CIO and from the late Jack Beidler, legislative director of the United Auto Workers, indicating that the AFL-CIO and the UAW support this measure, and I ask unanimous consent that those letters be printed in the RECORD at the end of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 2.)

Mr. MONDALE. At this hearing, it became clear that HEW did not have any reliable estimates of how much money the States would need to come into compliance. Therefore, the Senate Finance Committee contacted every Governor's office requesting this information. The results of the Finance Committee survey indicated that a total of \$206.3 million would be required. On the basis of these statistics, the Finance Committee reduced the funding authorized in the bill from \$500 million per year as originally proposed to \$250 million per year in the bill reported (H.R. 9803).

H.R. 9803

While the committee report provides a thorough discussion of the provisions of the bill, along with useful tables, I want to briefly summarize the key points of the bill at this time.

First, our bill provides \$250 million to the States, on an 80-percent matching basis; \$200 million would be allocated among the States by population, and \$50 million would be allocated with priority to those whose added costs to meet the standards are not met by the basic allocation. After 2 years, this \$50 million would be folded into the amount allocated among the States by population. These funds would be available to meet costs of day care, including the cost of complying with the Standards.

Second, our bill provides a 20-percent rebatable tax credit—up to \$1,000—for the cost of hiring a welfare recipient to serve on the staff of a day care center. Nonprofit centers, which do not pay taxes, would receive an equivalent cash payments. Eligibility for the credit would

be restricted to centers serving 30 percent or more title XX children. By combining the tax credit or payment with the 80-percent cash payment, a center can secure 100 percent Federal payment for the first \$5,000 in salary for persons hired from the welfare rolls. This would be refundable to private as well as non-profit public providers.

I want to emphasize that this funding is provided for within the budget resolution adopted by the Senate. As a member of the Senate Budget Committee, I can assure my colleagues that the funding called for in this bill can be provided without breaking the budget ceiling we have adopted.

In addition, I would stress that the net cost of this bill will be below the amount actually provided, because these expenditures will permit reduction in federally assisted programs such as welfare, unemployment compensation, food stamps, and others. While a precise estimate about the amount of these reductions is difficult to obtain, we have received letters from the State officials in Georgia and New Jersey illustrating the reduction they anticipate, and I ask unanimous consent that they appear at the end of my remarks. While all States may not realize the substantial offset these two States anticipate, I believe it is a conservative estimate to anticipate that the net cost of this program to the Federal Government will be about 75 to 85 percent of the funds actually spent.

Third, the bill provides that child care programs funded by title XX shall comply with the Federal interagency day care requirements. But, the bill permits 5 months, until June 30, 1976, for the States and providers to come into compliance. And, very importantly, the bill contains two significant waivers or modifications in the application of these standards.

The first modification is designed to provide a realistic and pragmatic response to those programs, including many in rural areas, in which only a few of the children being served are receiving title XX assistance. The FIDCR requirements pose very real problems for programs like these in which most children are fee-paying, and only a handful are receiving title XX support. Without some kind of waiver or modification, these programs would be faced with either of two problems: First, to refuse to continue serving the title XX assisted children so they would not have to meet the FIDCR requirements, or second, to continue serving them and begin meeting the FIDCR requirement—a solution that would require substantial increases in the fees charged to fee-paying families.

H.R. 9803, therefore, waives the FIDCR staffing requirements for day care centers which serve predominantly nontitle XX children—title XX children number no more than 5 or, if greater, 20 percent of the total number of children served; and for which the State agency determines that it is infeasible to provide the child care in a facility which does meet the Federal standards.

The other modification concerns fam-

ily day care homes. HEW now requires that a family day care mother's own children up to age 14 must be counted as part of the number of preschool children for which she is licensed to provide care. These children must be counted whether they are at home or attending school. A number of States have indicated to the committee that, although there may be no objection to including the mother's own children under age 6 in meeting the staffing requirement, family day care home providers have raised strong objections to counting the older children who are normally attending school. Many mothers begin to provide care for other children in their homes after their own children have started school. The requirement that their school age children must be counted means in some cases that the number of children they may care for is unreasonably small, and this makes their work unprofitable.

For these reasons, H.R. 9803 contains provisions which exempt the school aged children of family day care mothers from counting as part of the children for which she is licensed to care.

Mr. President, I believe it is important that we understand not only what this bill requires, but also what this bill does not require. Apparently, some individuals or organizations believe that the FIDCR requirements in this bill will require States to establish State standards which must meet minimal Federal standards. That is completely untrue. While some pieces of Federal legislation include requirements of that kind, this bill does not.

This bill permits States to set whatever standards they believe are appropriate for State and private programs, including some programs serving federally assisted children if they constitute five or fewer or less than 20 percent of the children served. The bill simply requires programs in which more than 20 percent of the children are assisted to meet the FIDCR requirements, and it at the same time provides all the additional money States say they need to come into compliance.

Mr. President, during the markup of this legislation in the Finance Committee, an amendment was offered to eliminate the FIDCR requirements from all child care programs receiving title XX funding. Fortunately, that amendment was defeated in committee. If it is offered on the floor, I would urge my colleagues to oppose it. If it is adopted, I want to indicate that I will oppose final passage of this bill. While I very much favor increased funding for child care programs, I will not support a bill that provides additional funding at the expense of eliminating the FIDCR requirements.

The major purpose of this legislation is to provide the funds necessary to help States comply with the FIDCR requirements. Should these requirements be eliminated, the basic need for this legislation itself is also eliminated, and I would oppose it on final passage.

Mr. President, this FIDCR issue is not just an academic debate. It concerns the health, safety and care of thousands of

young children. No one will claim that the FIDCR requirements are perfect in every respect. That is why, for example, we modified them when the title XX was passed, and have provided further modifications and waivers in the bill before us. Indeed, that is why the Congress, in passing title XX, required HEW to conduct a thorough study of the standards, and report back to us its findings and recommendations in early 1977.

Yet, these standards represent the best thinking available to us.

They must be sustained. If they are not, we will be responsible for exposing children to risks that I am sure none of us want to condone. But, they are serious risks, and we must face them as we debate this bill.

These risks were eloquently stated by Dr. Myron Belfer, assistant professor of child psychiatry, when he presented testimony on behalf of the American Academy of Child Psychiatry to the Finance Committee hearings on S. 2425. His complete statement appears on pages 81 through 85 of the hearing record, and I commend it to the attention of my colleagues. Let me close with just several excerpts of his remarks:

Mr. Chairman, day care for infants and young children calls for the provision of a complex and demanding form of care for a population that in many instances is at great risk for the development of later psychiatric and social disability. The failure to provide adequate care to infants with the proper degree of attentiveness, consistency, and warmth has been shown repeatedly to produce a withdrawn, affectless, alienated child for whom society later pays through a lack of productivity, psychological morbidity, or criminality . . .

Dr. Belfer continued:

There are no short cuts in the provision of the adequate care that will avoid distorted cognitive and emotional development . . .

And, in conclusion, Dr. Belfer states:

Child psychiatrists as consultants to day care centers, as members of planning boards, and as therapists for children and families, have observed the very positive effects of good day care services but have also witnessed the possible detrimental influence of the unscrutinized warehousing of children. Standards of care incorporating at least the ratios currently provided for in the regulations are essential and thought should be given to specifically mandating the application of these staff ratios in relation to direct work with children.

To delay the implementation of standards is to place in jeopardy a population of children already at risk . . .

I ask unanimous consent that selected correspondence and material concerning this legislation be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

OCTOBER 29, 1975.

Senator WALTER F. MONDALE,
Senate Finance Committee,
Dirksen Senate Office Building,
Washington, D.C.

DEAR SENATOR MONDALE: On behalf of the Board of the Child Welfare League of America, I would like to reaffirm our support for

prompt enactment of S. 2425. We believe this legislation is needed for two reasons. First, it will enable States to come into compliance with the critically important day care requirements in Title XX. Second, it will make it possible for complying States to remain so by providing funding for staffing to offset cuts that would otherwise occur due to inflation.

Sincerely,

JOSEPH H. REID,
Executive Director.

NOVEMBER 3, 1975.

HON. WALTER F. MONDALE,
Russell Senate Office Building,
Washington, D.C.

DEAR SENATOR MONDALE: Please find attached a copy of a letter with regard to S. 2425 which has been sent to you personally today.

Given the critical nature of this legislation and its potential benefit to the States and development of child care programs in the Nation, the Department of Institutions and Agencies has telecopied the attached letter and asked that it be hand delivered from the Washington Office of Governor Brendan T. Byrne.

Sincerely,

MARTLYN A. BERRY THOMPSON,
Director.

S. 2425

NOVEMBER 3, 1975.

HON. WALTER MONDALE,
U.S. Senate,
Washington, D.C.

DEAR SENATOR MONDALE: This supplements my letter dated October 6 in strong support of S. 2425 to make an important point, which is that states substantially in compliance with the Federal Inter-Agency Day Care Requirements (FIDCR) can face precisely the same financial strains to remain in compliance as are faced by states attempting to achieve compliance for the first time. Certainly New Jersey finds itself in this position for the following reasons:

(1) Mandated Cost Increases to Stay in Compliance With FIDCR and State Licensing Requirements. Our \$37 million day care program will need approximately \$2.13 million for a modest cost-of-living adjustment in personnel and non-personnel costs. Without additional funding we will be forced to cut back some 800 presently filled spaces.

(2) Recurring Non-Personnel and Facility Repair Costs. Although the FIDCR standards focus most of their attention on staff/child ratios as they should, the costs of equipping, supplying and providing shelter for some 250 centers in our state is significant, some \$6 million annually. Beyond the ever-increasing inflationary problems mentioned above, equipment loss through depreciation, constant renewing of inventories of supplies for children and the unexpected problems with facilities like leaky roofs, boiler and plumbing breaks require us to maintain a \$8 million contingency fund. To finance this fund will, without additional financial support, mean a cut back of some 300 presently filled spaces.

(3) Avoiding Sometimes Counterproductive Dependence on Volunteers and the Battle for Matching Funds. While New Jersey is indeed substantially in compliance with FIDCR and its own state licensing requirements, there are 92 of our 240 affiliated contract centers who achieve this standard only by using volunteer staff and by holding "cake sales" to raise funds to keep going. We set aside some \$1.4 million this year to bring the budgets of some of these centers up to standard. This will have the salutary effect of releasing the incredibly time consuming and counterproductive use of center staff to

continuously find and train volunteers and raise should be "above the line", that is we should look to volunteers and fund raising not for the purpose of meeting the federal and state standards, but to bring about program enhancement. Our contracts should support the basic program, which in too many cases they fail to do. We are in need of \$1.2 million to achieve the goal of not having to live from hand to mouth.

Thus, New Jersey's day care program needs some \$4.13 million (\$3.1 million of which would be federal at the 75/25 matching rate) to achieve but one of the goals of S. 2425. These costs will recur in substantially the same amounts each year. I must return to the thrust of my last letter to you (copy attached) with regard to the expansion of day care services. If S. 2425 did not pass, or was reduced, it would seem that New Jersey and other states are to be penalized for having achieved a major growth in publicly funded day care programs within FIDCR standards. In other words, had we grown at lower program standards (and costs) we would not now be at our ceiling and would have funds for the three critical purposes listed above and for expansion. Given the success we are having in making it possible for former AFDC parents to work and in hiring former AFDC recipients on staff, it is imperative that day care continue to grow. New Jersey needs the kind of federal support S. 2425 proposes to achieve that growth.

Thank you.

Sincerely,

ANN KLEIN,
Commissioner.

OCTOBER 6, 1975.

HON. WALTER F. MONDALE,
U.S. Senate,
Washington, D.C.

DEAR SENATOR MONDALE: I write to record New Jersey's enthusiastic support for S. 2425. In an atmosphere where there is talk of reducing the percentage of federal financial participation for social services or of reducing state allocations, your and Senator Long's proposed amendment to Title XX of the Social Security Act is extremely welcome news.

Under Governor Byrne's direction and leadership, my Department has given its highest priority to an expansion of social services eligible for federal financial participation and the New Jersey Legislature has appropriated additional state funds where necessary to help finance the local share. New Jersey's expansion program has already progressed to the point where, in but a few months, it will hit the current federal ceiling for New Jersey of \$87.7 million ruling out further expansion and requiring the backward step of funding inflation out of current budgets. This would mean a drop in services. Over one-third of our effort is for child day care, and it has been in this program sector where New Jersey has registered its most dramatic gains. In barely four years since its inception, federally subsidized day care in New Jersey now reaches over 27,000 children. Both the Federal Interagency Day Care Requirements and our own stringent state licensing standards have been adhered to along the way.

But as proud as we are of our record to date, we must face the recognition that we meet far less than 10 percent of the need for child day care services. Right now over 300,000 children, eligible for federally subsidized day care, cannot receive it. Clearly, therefore, a bill such as yours which would earmark additional federal funds for child day care is precisely what is needed.

With respect to those New Jersey residents who are fortunate enough to be enrolled in federally subsidized pre-school day care, our studies have shown that 68.2 percent of the families have all adult members either working or in education or training for employ-

ment. Of the balance (31.8 percent) the vast majority of families have severe problem situations in their homes prominent among which are alcoholism, mental retardation, child abuse or neglect, severe physical or mental illness or major family conflict necessitating day care services for the children. Accordingly, it is clear that the Congressional intent for the Titles IV-A and XX programs has been met by New Jersey's employment of its federal funds.

Thus, New Jersey is able with its existing federal allocation to reach barely 10 percent of its population in need for day care services and, secondly, the federally subsidized services it does provide are directed at precisely the priority populations set by the Congress. I want to make a third point as well, which is that day care has extremely positive and calculable economic consequences to society. For example, because of New Jersey's program to date—

(1) 12,680 heads of household were freed for employment estimated at \$65.9 million per annum, without taking into account associated multiplier effects of direct employment dollars being spent and taxes being paid;

(2) 5,540 persons (a large number of para-professionals) have been employed as teachers, teachers' aides, trainees and technicians in day care centers earning \$23.8 million per annum; and

(3) 10,764 families formerly on AFDC are now employed, thereby reducing welfare payments by \$19.4 million per annum. (I note that the salutary effect of S. 2425 would be to provide employment at day care centers for the AFDC population.)

All this has been possible for a federal investment in day care in New Jersey of less than \$30 million per annum. It is an investment which has paid off handsomely.

We shall watch the progress of S. 2425 with great interest and if I or James G. Kagen, the Director of the Department's Division of Youth and Family Services, can assist with backup material or testimony or in any other way, please do not hesitate to call upon us.

Once again, we in New Jersey are very grateful for your support of day care.

Sincerely,

ANN KLEIN,
Commissioner.

SEPTEMBER 26, 1975.

DEAR SENATOR: The undersigned organizations are deeply concerned that because of the request of certain States and individuals the Congress might consider enacting legislation that would change the standards for federally supported day care currently contained in Title XX of the Social Security Act.

The standards represent a minimal level of protection of children and must not be weakened or abandoned. The regulations were made available for public review and comment and modifications were made by the Department of Health, Education and Welfare in response to those comments.

In view of the fact that the standards are somewhat relaxed from those which are now in place and have been in place since 1968 and the Congressional mandate that HEW conduct an appropriateness study to be completed before June 30, 1977, any change in the standards now would be unwise and premature.

Sincerely yours,

MARILYN MARCOSSON,
American Parents Committee, Inc.
WILLIAM PENCE,
Child Welfare League of America, Inc.
JUDITH S. HELMS,
National Council of Organizations
for Children and Youth.
JUDITH ASSMUS RIESS,
Washington Research
Project Action Council.

OCTOBER 31, 1975.

HON. HERMAN E. TALMADGE,
U.S. Senator,
Russell Senate Office Building,
Washington, D.C.

DEAR SENATOR TALMADGE: As you know, Herschel Saucier was one of several state welfare administrators who testified before the Senate Finance Committee in support of S. 2425 on October 8. For your convenience, I am attaching a copy of his testimony. I would like to give you additional information on how AFDC expenditures can be reduced by passage of S. 2425.

Since the hearings, we have been able to calculate how much AFDC costs can be reduced by employing AFDC mothers in day care centers with funds made available under S. 2425. We believe we can recruit from 80% to 100% of the staff needed to meet the required child/staff ratios from the ranks of AFDC mothers. The following chart shows the estimated reduced expenditures in AFDC grants, food stamps, and Medicaid based on an average family size and average grants.

Reduced Costs through Employment of AFDC Mothers:

Percent of AFDC mothers employed	Number of AFDC mothers	AFDC grants	Food stamps	Medicaid	Total
100.....	600	\$885,600	\$705,600	\$345,600	\$1,936,800
90.....	540	797,040	635,040	311,040	1,743,120
80.....	480	708,480	564,480	276,480	1,549,440

We believe we can approach 100% employment of AFDC mothers with reduction in expenditures related to AFDC. If other states realize similar savings, the \$500,000,000 provided in S. 2425 will not reflect a net increase in day care funding. While financing the day care staff required under Title XX, it will significantly reduce AFDC and related expenditures.

I will appreciate your support for favorable actions on S. 2425 by the Finance Committee and the Congress. If I can provide additional information, please call on me.

Sincerely,

T. M. JIM PARHAM,
Commissioner.

NOVEMBER 7, 1975.

HON. RUSSELL B. LONG,
U.S. Senator,
Russell Building,
Washington, D.C.

DEAR SENATOR LONG: I heartily support your bill, S 2425, on day care and urge you to take whatever action is necessary to assure its passage.

There is heavy public outcry in California for increased child day care services but the State of California does not have the financial resources to meet the demands of welfare and low-income parents. Under Title XX funding, it has been necessary to limit eligibility to 84 percent of the median gross annual income and to establish fees for parents who previously had and needed free services. The 49.1 million dollars which California will receive under S 2425 will be of considerable assistance in better meeting the needs of our low-income parents.

We appreciate and support your continuing concern that children receive care in a safe and healthy environment. California requires a permit from the Commissioner for Teacher Preparation and Licensing when involved with supervision and instruction in children's centers. We believe the total well-being of children is of prime concern and agree with the many parents who desire an educational component in day care.

To augment day care staff through employ-

ment of welfare parents through tax incentives is an excellent idea and will undoubtedly bring good results.

If this Department can be of assistance to you by providing further information I would welcome the opportunity.

Sincerely,

JEROME A. LACKNER, M.D.,
Director of Health.

NOVEMBER 24, 1975.

HON. WALTER F. MONDALE,
U.S. Senator,
Washington, D.C.

DEAR SENATOR MONDALE: The Young Women's Christian Association of the U.S.A. has for many years supported the Federal Interagency Day Care Standards because we believe they are needed to assure a high quality of day care for the protection of the nation's children. We know that quality day care is costly, especially in times of economic stress, but equally in such times day care is more than ever needed for the multitudes of women, especially low income, who most need it. For this reason we would like to support the principles incorporated in S. 2425, introduced by Senators Long and Mondale to provide additional money to meet day care standards and expand services.

We believe this measure would provide important assistance to children and families and to community day care programs because it would—

Maintain high quality federal standards in programs receiving federal funds.

Assure the additional money without which many programs will be unable to meet the standards, and be forced to close.

Encourage meaningful employment and training for many welfare recipients and other low income women while standards are being met.

Provide both employment and day care services for many mothers and their children currently on welfare.

Provide flexibility for Title XX funds to be utilized for expansion.

The Federal Government and the Congress as stewards of citizen tax money have the critical responsibility of assuring that all the nation's children have equal access to quality child care. In the period while HEW is doing its "appropriateness study," we believe the provision of additional funds plus enforcement of the present standards are essential.

Sincerely yours,

Mrs. ELIZABETH S. GENNE,
President.

JANUARY 22, 1976.

HON. WALTER F. MONDALE,
Senate Finance Committee, Dirksen Office
Building, Washington, D.C.

DEAR SENATOR MONDALE: Your attention is directed to the upcoming Senate consideration of S2425, a Bill which would provide federal funds to bring the States into compliance with the Federal Interagency Day Care Requirements for Title XX funded day care.

Since the introduction of S2425, discussion throughout the country has centered on such issues as the total amount of federal money to be appropriated in this legislation, the amount of time required for States to comply with the Federal Interagency Day Care Requirements for staffing child care centers, and the appropriateness of certain staff-child ratios for specific child care settings. At this writing, the Department of Health, Education and Welfare has begun the study of the appropriateness of FIDCR as mandated in the original Title XX legislation.

Inherent in the above considerations has been the assumption that federal funds for

child care should be accompanied by federal standards to insure safe, healthy and nurturing environments for children. This same assumption has been expressed repeatedly by the membership of NAEYC—now totaling 26,000 individuals working with children in a variety of settings. Most recently, the NAEYC membership in conference in November, 1975, ratified a resolution endorsing S2425 and its attendant standards for federally funded child care. A letter to that effect was sent to each member of Congress on December 8, 1975.

On behalf of the membership of NAEYC, I take this occasion to reiterate the Association's support of standards to accompany federal funding of child care, and to encourage the Senate's careful consideration of the positive and protective aspects of the standards attendant to S2425.

Sincerely yours,

MARILYN M. SMITH,
Executive Director.

PENNSYLVANIA WOMEN'S
POLITICAL CAUCUS.

Warrington, Pa., January 20, 1976.

Senator WALTER MONDALE,
Russell Senate Office Building,
Washington, D.C.

DEAR SENATOR MONDALE: I urge your support of Senate Bill S2425. I cannot impress upon you sufficiently the critical nature of the unmet child care needs in our state and community. The problems of neglected children and child care abuse, are matched by the problems that must be faced by women—who are working to help support the family—who have no major, personal dilemma. However, in either event it is the children who are continually being put up to be sacrificed at the altar of necessary cutbacks.

The character of a country is determined by the way it treats its children.

Sincerely,

ELSA PUDER SUPLEE,
State Chairwoman.

JANUARY 23, 1976.

To All Members of the U.S. Senate.

DEAR SENATOR: The American Federation of Teachers, AFL-CIO, strongly urges your opposition to the Packwood Amendment which will be offered to H.R. 9803, when that bill is considered by the Senate.

H.R. 9803 is a bill to provide funds to the states to help them meet the Federal child/staff ratios required under Title XX of the Social Security Act. The ratios as they now exist are minimal protections for children receiving child care services under Title XX. The Packwood Amendment proposes to eliminate all Federal Child/staff ratios and eliminate Federal concerns as to the quality of these services.

The program as it now stands provides child care that enables mothers to seek employment and reduce their dependency on welfare. A crucial component of this program must be quality care for the children in such programs. Such care can be an important step up for a child whose parent must work. The Packwood Amendment would encourage the states to seek false economies that would lower the cost of Title XX programs by neglecting the care that the children of the poor are as entitled to as any other children. A welfare program that requires mothers to accept work must assure that their children will be cared for.

We urge you to reject the Packwood and any other weakening amendments and to vote to pass H.R. 9803.

Sincerely,

ALBERT SHANKER,
President.

JANUARY 22, 1976.

Sen. WALTER F. MONDALE,
Washington, D.C.

DEAR SENATOR: We are deeply appreciative of your efforts during the meeting of the Senate Finance Committee on behalf of Federal day care requirements. Speaking out for the needs of children, for their basic protection continues to characterize your service in the Senate.

You have, of course, our testimony on S. 2425, endorsing this legislation. Because of the expiration of the postponement we hope that the Congress will speedily approve legislation keeping Federal standards—and real enforcement of Federal standards—a part of Title XX. No one wishes to unnecessarily complicate the delivery of needed social services and we count ourselves in that company. But for those social services to meet the legislative intent of effectively preventing dependence, they must be of a quality that will service the needs of the child and the parent. Services below a certain quality floor will damage children and recycle them back into the dependency category when they are adults. Services of poor quality often displease parents. Services that endanger or subtly neglect their children are not acceptable, and cause parents to withdraw their children from care—and, usually, to leave the workforce for welfare.

The purpose of the expenditures under Title XX, as you recognize so clearly, can only be met if the expenditures go for quality services. The only real measure of quality—the only real accountability, we have learned after years of non-compliance and non-enforcement—is a Federal minimum. We hope that Federal minimum remains in effect for this legislation.

Sincerely,

JOSEPH H. REID.

JANUARY 23, 1976.

DEAR SENATOR: Last October 8, this Association testified in support of S2425 (copy enclosed) before the Committee on Finance. We were concerned then, as we are now with the need for adequate standards of child care.

Federal Interagency Day Care requirements must not be abandoned. We urge that you support retention and enforcement of these standards, as reported out by the Finance Committee, and as presently contained in HR 9803 which will shortly come to a vote before the full Senate.

Sincerely yours,

MARYANN MAHAFFEY, ACSW,
President.

JANUARY 22, 1976.

Hon. WALTER F. MONDALE,
U.S. Senate,
Washington, D.C.

DEAR SENATOR MONDALE: The American Academy of Pediatrics commends your efforts on behalf of children under S. 2425. We are particularly pleased that you share our concern in quality day care programs.

As day care of children is sought increasingly by parents for a variety of reasons, consideration must be given to the quality of that care and the services provided. Until research further evaluates present standards and programs, the 1968 FIDCE should be used as minimal standards. By so doing, at least a minimum, measurable level of care or service will be assured. Without minimal federal standards, the quality of child care would be threatened. The provision of simple custodial care for children or of programs which do not meet the child's needs but force him into routinized group programs with little variation cannot be sanctioned.

In summary, the Academy strongly supports the continuation of federal standards for day care and would urge that these standards be monitored and enforced. The care

and guidance given children in their early years are of critical importance for their optimal development and our country cannot afford to abandon its children at this time.

Sincerely yours,
ROWLAND L. MINDLIN, M.D.,
Chairman, Committee on Infant and
Preschool Child.

SEPTEMBER 15, 1975.

Hon. DAVID MATTHEWS,
Secretary, Health, Education, and Welfare,
HEW North Building,
Washington, D.C.

DEAR MR. SECRETARY: It has come to our attention that you are receiving requests to postpone implementation of or provide state-wide exemptions from the Title XX regulations regarding day care standards.

We urge you in the strongest possible manner to deny any such requests and to implement and enforce these standards as planned. These standards provide a minimum level of protection for children in day care, and must not be weakened or delayed. As you know they were made available for public review and comment in the form of proposed regulations several months ago, and the final regulations were modified as a result of this process. Any further modification at this point—before HEW completes the "appropriateness study" of day care standards required by Title XX—would be premature and unwise.

Sincerely,

WALTER F. MONDALE,
ABRAHAM A. RIBICOFF,
JAMES L. BUCKLEY.

AFL-CIO,

Washington, D.C., October 6, 1975.

Hon. WALTER F. MONDALE,
Russell Office Building,
Washington, D.C.

DEAR SENATOR MONDALE: I'm writing to convey the support of the AFL-CIO for S. 2425 introduced by you and Senator Long. We have already indicated to you our serious concern over the possible delay or weakening of the minimal level of child-staff ratios required in day care centers funded under Title XX of the Social Security Act.

The AFL-CIO believes that S. 2425 will do much to facilitate and encourage the implementation by the states of the standards necessary for the protection of children.

We commend you and Senator Long for taking the lead in working toward the solution of this long-standing problem.

Sincerely yours,

ANDREW J. BIEMILLER,
Director, Department of Legislation.

UAW,

Washington, D.C., October 7, 1975.

DEAR SENATOR: The Finance Committee now has before it a bill designed to help bring federally-supported day care programs into compliance with the Federal Interagency Day Care Requirements. Enactment of this legislation, S. 2425, would help to improve and expand child care services; the UAW urges your support during Finance Committee consideration.

Among other provisions, S. 2425 would make available an additional \$250 million in the remainder of the current fiscal year and \$500 million in following years to help federally-assisted child care programs meet federal standards. The additional money would be available on an 80 percent matching basis.

The UAW believes S. 2425 is totally justified; it should be enacted without undue delay. We urge that you vote for the bill and against any efforts to weaken it. Your consideration of the UAW position on this important measure will be appreciated.

Sincerely yours,

JACK BEIDLER,
Legislative Director.

AGRICULTURAL HIGHLIGHTS IN PRESIDENT FORD'S PROPOSED PROGRAMS FOR FISCAL YEAR 1977

Mr. THURMOND. Mr. President, in both his state of the Union message and in his budget proposals for fiscal year 1977, President Ford has paid particular attention to the problems and needs of the American farmer. Naturally, I am pleased with this emphasis, for I believe that the economic strength and well-being of the United States is directly tied to the productivity and economic health of the agricultural sector.

Insofar as the specifics of agricultural policy are concerned, I have not always agreed with Secretary of Agriculture Butz and the Ford administration. No doubt we will disagree on specific farm programs in the future. However, I believe President Ford and his agricultural advisers should be given credit for helping to move American agriculture forward, for expanding foreign markets for American agricultural products, and for enhancing farm income. The agricultural proposals recently enunciated by President Ford will help insure that the American tradition of leading the world in agricultural progress and productivity continues. For the benefit of my colleagues in Congress, and other interested persons, I would like to briefly highlight some of these proposals.

ESTATE TAX RELIEF

Most of us are becoming aware that the death of an owner of a family farm can create major financial problems for the heirs, particularly if they wish the business to remain in the family. Unless sufficient liquid assets are readily available—or become available upon the death of the owner—to pay the Federal estate tax liability, heirs may be compelled to sell the farm.

To correct this unfortunate situation, President Ford has stated that he will seek legislation permitting heirs of owners of family farms to defer the first payment of Federal estate taxes for 5 years and amortize the balance over 20 years at 4 percent simple interest. This will ease significantly the current problem faced by heirs of being forced to sell farms that may have been in a family for years in order to pay estate taxes.

I am extremely pleased that President Ford has taken this constructive step to amend Federal inheritance tax laws. Congress should promptly enact such changes, to help insure the survival of the family farm in America. At the same time, I hope we can go a step further and substantially increase the Federal estate tax exemption from the present \$60,000 level, which has been in effect since 1942. Furthermore, insofar as computing the value of farm estates, I believe it would be wise to modify existing law to provide for property and land valuation according to use rather than highest market value. A number of bills to accomplish these purposes have been introduced in both the House and Senate, and I am cosponsoring several of the best of these. I hope the committees of jurisdiction will carefully consider these additional