

FOR IMMEDIATE RELEASE

April 6, 1976

Office of the White House Press Secretary

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THE WHITE HOUSE

TO THE HOUSE OF REPRESENTATIVES:

I am returning without my approval, H.R. 9803, a bill which would perpetuate rigid Federal child day care standards for all the States and localities in the Nation, with the cost to be paid by the Federal taxpayer.

I cannot approve legislation which runs directly counter to a basic principle of government in which I strongly believe -- the vesting of responsibility in State and local government and the removing of burdensome Federal restrictions.

I am firmly committed to providing Federal assistance to States for social services programs, including child day care. But I am opposed to unwarranted Federal interference in States' administration of these programs.

The States should have the responsibility -- and the right -- to establish and enforce their own quality day care standards. My recently proposed Federal Assistance for Community Services Act would adopt this principle, and with it greater State flexibility in other aspects of the use of social services funds available under Title XX of the Social Security Act.

H.R. 9803 is the antithesis of my proposal. It would make permanent highly controversial and costly day care staff-to-children ratios. And it would deny the States the flexibility to establish and enforce their own staffing standards for federally assisted day care.

This bill would not make day care services more widely available. It would only make them more costly to the American taxpayer. It would demand the expenditure of \$125 million over the next six months, and could lead to \$250 million more each year thereafter.

H.R. 9803 would also specify that a portion of Federal social services funds be available under Title XX of the Social Security Act for a narrow, categorical purpose. In the deliberations leading to enactment of Title XX, a little over a year ago, the States and the voluntary service organizations fought hard to win the right to determine both the form and the content of services to be provided according to their own priorities. This bill would undermine the Title XX commitment to State initiative by dictating not only how day care services are to be provided, but also how they are to be financed under Title XX.

It would introduce two additional Federal matching rates for some day care costs that are higher than the rates for other Title XX-supported services, thereby further complicating the States' administration of social services programs. My proposal would, on the other hand, eliminate State matching requirements altogether.

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Moreover, H.R. 9803 would create an unfair situation in which some child day care centers would operate under a different set of standards than other centers within the same State. Those day care centers in which fewer than 20 percent of those served are eligible under Title XX could be exempt from Federal day care standards. This provision would have the probable effect in some instances of reducing the availability of day care services by encouraging day care centers to reduce the proportion of children in their care who are eligible under Title XX in order to meet the "quota" set by H.R. 9803. In those centers not choosing to take advantage of this loophole, the effect could well be to increase day care costs to families who use these centers on a fee-paying basis. In effect, they would be helping to subsidize the high costs imposed on day care providers serving Title XX-eligible children.

There is considerable debate as to the appropriateness or efficacy of the Federal day care standards imposed by H.R. 9803. In fact, the bill recognizes many of these questions by postponing their enforcement for the third time, in this case to July 1 of this year. Fewer than one in four of the States have chosen to follow these standards closely in the administration of their day care programs. The Congress itself has required by law that the Department of Health, Education, and Welfare conduct an 18-month study ending in 1977, to evaluate their appropriateness.

Rather than pursue the unwise course charted in this bill, I urge that the Congress extend, until October 1, 1976, the moratorium on imposition of Federal day care staffing standards that it voted last October. This would give the Congress ample time to enact my proposed Federal Assistance for Community Services Act, under which States would establish and enforce their own day care staffing standards and fashion their social services programs in ways they believe will best meet the needs of their citizens.

GERALD R. FORD

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