

1,900 to lose childcare aid tomorrow

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An estimated 1,900 Rhode Island children will lose subsidized childcare benefits tomorrow.

Their parents, daycare providers, and social-welfare advocates are bracing for the most dramatic policy shift in the state's childcare system in the last decade.

Parents are turning to neighbors, friends or even older siblings to care for children who previously attended a licensed facility with trained teachers and staff that offered food and transportation. A total of 1,500 working families will lose subsidies tomorrow. That's more than 20 percent of the families in the system today.

The cuts will save state taxpayers an estimated \$19.8 million, one of several cost-cutting measures enacted in the state budget by a General Assembly that struggled to close a massive budget deficit without raising taxes.

"It's a difficult time. Clearly the state is facing some significant budget challenges. We're just going to have to deal," said Karen Leslie, the president and chief operating officer for the YMCA of Greater Providence. "It's going to be incumbent on us to find creative ways to meet this need. The alternative of children being left home alone is not something we are willing to accept."

The YMCA has already closed eight childcare centers in Greater Providence in anticipation of tomorrow's cuts. Leslie estimates losing 150 children. There have been several staff layoffs, but she couldn't say how many.

The new policy affects families that make too much to be classified as living in poverty, but too little to afford the full cost of childcare — which generally costs around \$150 per child per week, although rates vary by the age of the child and the program, according to child-welfare advocates.

The change narrows eligibility from 225 percent of the federal poverty limit to 180 percent. Today, a single parent with two children could earn up to \$38,633 and still qualify for a subsidy with a copay. Tomorrow, the income limit will fall to \$30,906.

"These are the working poor. They're working. They're not sitting at home getting welfare. They're trying to work for a better life," said Marion McGrath, director of the Carriage House Day Care in Cranston, who has worked in childcare for 47 years.

McGrath is struggling to give disqualified parents discounts or scholarships to help, but says she is limited by a need to maintain her building and pay her staff.

“We just won’t be able to afford to take them,” she said of the disqualified children. “It’s terrible the way that this state government is acting. I’m embarrassed for them.”

Governor Carcieri’s spokesman, Jeff Neal, said the cuts could have been much worse given the state’s fiscal situation. Lawmakers closed a budget deficit exceeding \$200 million this year and estimate next year’s budget hole at \$306 million. The state’s overall spending plan this year totals \$6.99 billion, including federal money.

“We’re out of money. And we have no room to raise taxes to afford more spending on state social-service programs,” Neal said. “That’s why the governor and the General Assembly have focused on preserving the core of these programs in the face of dramatic budget problems. The governor recognizes that these types of programs do provide societal benefits, but they have to be balanced by the resources that Rhode Island can put in to them.”

Meanwhile, smaller urban childcare providers such as Beautiful Beginnings Childcare Center on Elmwood Avenue simply hope to keep their doors open.

“This is the first time that we’ve really been in immediate danger,” said Khadija Lewis Khan, the center’s director for the past eight years. The facility generally serves lower-income families and will lose 15 children — about 20 percent of its total enrollment — tomorrow.

Beautiful Beginnings has closed one of its classrooms because of the loss and is determining whether to reduce staff hours or begin layoffs, Khan said.

She’d like to offer scholarships, but said there’s no money in her budget, which is “very, very, very tight.”

“Right now we don’t have any help for the families,” she said. “Most of them are using other family, friends, or neighbors for now.”

Some organizations are working with families desperate not to lose the subsidy. Heidi Collins, director of public education at the Poverty Institute at Rhode Island College, regularly hears from frantic parents.

“It’s even hard for me to understand eligibility — what’s 225 percent of poverty and 180 percent of poverty? Parents don’t have a clue as to what some of these notices mean,” she said.

She just spoke to a woman who missed the cutoff by less than \$33 a week. That could be the difference of a couple of hours of overtime, or an extra shift, Collins said.

Neal discouraged efforts to adjust work schedules to meet the new guidelines.

“From the governor’s point of view, the people’s long-term welfare is generally best served by working to become self sufficient,” he said.