



Pennsylvania Association
Education of Young Children



May 15, 2023

Independent Regulatory Review
Commission Commissioners
333 Market Street, 14th Floor
Harrisburg, Pennsylvania 17101

Dear Commissioners:

The Pennsylvania Association for the Education of Young Children (PennAEYC) is a statewide, non-profit membership organization of over 3,300 early childhood care and education professionals. As the Pennsylvania affiliate of the National AEYC, we strive to be an effective voice for high-quality early childhood care and education through policy development, advocacy and professional development and supports for early childhood professionals. On behalf of PennAEYC, I would like to thank you for the opportunity to offer comment on the subsidized child care eligibility final-form rulemaking (Regulation # 14-545).

As noted in the letter from Start Strong PA, of which PennAEYC is a principal partner organization, PennAEYC is opposed to the removal of §3042.14(d) from the regulation, which permits child care providers to charge parents/caretakers receiving subsidized child care the difference between the provider's private pay rate and their state subsidy reimbursement. Eliminating the ability to charge the difference will negatively impact Pennsylvania families, as well as child care programs. The elimination of this regulation was not included in the proposed rulemaking for our organization nor any of the 6,491 child care programs to review and provide public comment to the Department of Human Services for consideration.

While this policy change supports low-income parents, it has financial and programmatic impacts on child care providers and families within a system that is significantly under resourced and under reimbursed, which requires appropriate public input. Private pay parents, subsidy-enrolled parents, providers and professionals in the field pay the high price of the lack of government investment in appropriate subsidy rates. Many programs keep afloat by charging the difference between the private pay amount and the subsidy reimbursement to parents/caretakers, which means low-income families experience greater financial hardship. The child care sector is currently facing severe staffing shortages as a result of the low pay, which is leading to classroom closures.

Further limiting available financial resources for child care programs will only exacerbate these problems. This will result in more program and classroom closures, which means private pay and subsidy-enrolled families wait longer to access child care in order to work. It will also result in greater inequity in the system by forcing child care providers to limit the number of subsidy families they enroll in order to keep teachers employed and classrooms open. Some providers may refuse to participate in the program overall or may increase rates for private pay families to make up the difference, if they remain.

PennAEYC offers the solution for Pennsylvania to make appropriate public investments into the child care subsidy program. If programs were funded appropriately for the subsidy-enrolled children they serve, there would be no need to charge parents/caretakers more than their copayment. This policy change, which supports low-income parents, is only equitably implemented when subsidy rates reflect the actual cost of providing care.

For the remaining regulation, supporting low-income parents who are working or in training or education is extremely important to ensuring all children have access to high-quality child care. Pennsylvania's child care subsidy program, Child Care Works, is the support that families need to make high-quality child care affordable.

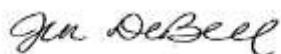
All children have the right to equitable learning opportunities that enable them to achieve their full potential as engaged learners and valued members of society.¹ The subsidized child care eligibility final-form rulemaking is a tool that helps eliminate the differences in educational outcomes as a result of where children live and what resources their families have. We applaud the Office of Child Development and Early Learning's (OCDEL) and the Department of Human Services' leadership for the efforts to align eligibility requirements with the federal Child Care and Development Block Grant (CCDBG) Act of 2014 and sections of the Human Services Code.

Federal CCDBG reauthorization made clear the importance of continuity of child care in supporting a parent or caretaker's ability to achieve financial stability and the ability of a child to develop a nurturing relationship with their child care provider, which is the foundation of a high-quality early learning experience. The efforts to reflect these eligibility requirements, such as 12-month redetermination periods and changes to reporting requirements provide families stable and consistent child care, which stabilize access to child care subsidy. These proposed changes are a piece to making high-quality child care accessible to each and every working family.

We have provided our specific comments on the regulations in the chart attached to this letter. PennAEYC supports the vast majority of the proposed changes, as they will improve access and affordability of child care to low-income working families and allow equitable learning opportunities for children. It is unfortunate the removal of §3042.14(d) was also included in the final-form rulemaking and for that reason, we recommend the Commission disapprove the regulation.

Thank you again for the opportunity to provide public comment and for your consideration of our thoughts on the subsidized child care eligibility final-form rulemaking (# 14-545). Please contact our Director of Public Policy and Advocacy, Kimberly Early, at kearly@pennaeyc.org should you have any questions.

Sincerely,



Jen DeBell
Executive Director
Pennsylvania Association for the Education of Young Children

¹ [Advancing Equity in Early Childhood Education](#), National Association for the Education of Young Children, April, 2019.

Topic and Final-Form Regulation	PennAEYC Comment
Subsidy benefits 3042.13	PennAEYC thanks the Department for the efforts taken to remove barriers for parents and caretakers that work non-traditional hours, such as requiring a parents' shift to end between certain hours. This will allow more families to become eligible and to receive care when they need it.
Payment of provider charges 3042.14(g)	PennAEYC supports and thanks the Department for the amended provision to prohibit any subsidy enrollments for a provider that has been issued a revocation or refusal to renew. PennAEYC supports the Department including situations where all subsidy enrollments are prohibited.
Subsidy limitations 3042.15(b)	PennAEYC strongly supports parent choice. PennAEYC thanks the Department for allowing a kindergarten-age child one additional year of kindergarten at the parent or caretaker's request, allowing parents or caretakers eligible for child care subsidy to make the same decision a private pay parent or caretaker may make. Allowing for parent choice here provides equity between parents and caretakers who receive a child care subsidy and parents and caretakers who are private pay.
Subsidy limitations 3042.15(d)	PennAEYC recognizes that it is important for eligible children to be enrolled with an eligible child care provider when funding becomes available. PennAEYC thanks the Department for adding clarity that a child will not be ineligible if not enrolled within 30 calendar days if it is determined that enrollment is delayed because of circumstances outside of a parent's or caretaker's control and including similar language in 3042.57(c). This is important with the child care sector currently facing severe staffing shortages.
Absence 3042.18(a), 3042.18(d)	PennAEYC thanks the Department for meeting the CCDBG requirement to delink payment for child care from a child's occasional absences. These provisions remove barriers for parents and caretakers, to allow the eligibility agency to suspend enrollment if the child is absent for more than five consecutive days and increase the number of total paid absences to 40, allowing parents and caretakers to maintain eligibility and increase stability for the child and family.
Personal interview 3042.56	PennAEYC thanks the Department for removing barriers for parents and caretakers by changing terminology to personal interview. This flexibility allows families to maintain stability.
Waiting list 3042.57(a), 3042.57(c)	PennAEYC thanks the Department for posting the method for priority on its website. PennAEYC also thanks the Department for adding clarity that a child will not be ineligible if not enrolled within 30 calendar days if it is determined that enrollment is delayed because of circumstances outside of a parent's or caretaker's control.

<p>Parent or caretaker co-payment requirements</p> <p>3042.94</p>	<p>PennAEYC thanks the Department for removing the requirement that parent or caretakers pay the equivalent of the co-payment in advance.</p>
<p>Homelessness</p> <p>3042.142</p>	<p>PennAEYC thanks the Department for permitting waivers to parents or caretakers who are experiencing homelessness.</p>