



The Heritage Foundation
Executive Memorandum

No. 615

July 30, 1999

HOW SPECIAL INTERESTS WOULD KILL DAY CARE CHOICE

PATRICK F. FAGAN

Congress is poised to take the first step toward creating a new federal bureaucracy to regulate the provision of day care in the United States. Under the guise of giving lower-paid federal workers a higher employee benefit, this new bureaucracy would have sweeping powers to determine the child care options available to federal workers. And with such a system in place for federal workers, experience suggests that this regulatory bureaucracy then would be used to build support for a national system of regulated day care options for every working American parent.

THE MORELLA PROPOSAL

This day care provision, which is sponsored by Representative Constance Morella (R-MD), was incorporated recently into the House Treasury/Postal Fiscal Year 2000 Appropriations Bill that now must go to conference with a Senate version that contains a similar proposal. The House provision would quietly put in place the necessary apparatus to expand federal regulation of day care, right down to the local neighborhood level—and sharply curb parental choice for day care of their children.

There is no doubt that the regulations in this bill governing federal child care facilities would become a “standard” toward which all state regulations would be driven by lobbying pressure. The tendency would be for the federal standard to supplant the diverse state and local standards of the day care provider industry, a special-interest group that has long sought to limit competition from the

home and church providers who generally are most trusted by parents. In a realm in which affection and intimacy are the most critical factors in a child’s development, national bureaucratic standards would create environments in which conformity and consistency held sway.

Under the Morella provision, this new federal bureaucracy would receive sweeping powers to regulate such things as the design of child care facilities, the materials to be used in the physical plant, the qualifications of personnel, the materials to be used by the children, the developmental appropriateness of educational activities, and the accreditation of staffing and the facilities. The Morella provision also includes a vaguely worded “outside monitoring” apparatus, which would leave the door wide open for special-interest influence and control.

If enacted into law, there is little doubt that the Morella provision would interfere with the day care market and make the cost of child care rise and the choices for parents more limited. These results

Produced by
The Domestic Policy Studies
Department

Published by
The Heritage Foundation
214 Massachusetts Ave., N.E.
Washington, D.C.
20002-4999
(202) 546-4400
<http://www.heritage.org>



would occur because the federally regulated system would be dominated by professional providers of day care, their ancillary professions, and their suppliers. These special-interest groups include child care education and accrediting specialists, child care equipment and toy manufacturers, and child care facility engineers and architects.

A HISTORY OF FEDERAL WASTE AND FAILURE

The Morella provision would enshrine yet another federal accrediting body, something that is anathema to what works well in social programs. Congress should bear in mind that federal and state governments have demonstrated repeatedly that providing social services is a particularly problematic endeavor. For example, lawmakers should consider the results of the most comprehensive and expensive federal experiment in delivering social services to the poor, the Comprehensive Child Development Program (CCDP). This program—thought to be the Cadillac of all social service packages ever assembled—has not made any difference in the development of the poor children it serves, despite spending \$15,756 per family per year, for a total cost of \$47,000 per family. According to the June 1997 conclusions of a rigorous evaluation by Abt Associates for the Administration for Children and Families in the Department of Health and Human Services, the CCDP made no difference in developmental outcomes for children.

Based on the effects of federal regulation in the CCDP and other programs, one can predict with confidence that federal regulation of day care would be most likely to lead to *decreased*—not increased—benefits for those children involved. But history also shows that if this happened, the public response to that failure would be the marching of day care special interests back to Washington, D.C., to argue that more money and more regulation were needed.

WASHINGTON'S FOOT IN THE DOOR

With this provision, Congress is about to give a new instrument to those who want more control over the lives of children and their parents. To those familiar with the policy battles over parental control of their children's well-being, there is little doubt that, in a few years, these regulations gradually would supplant all other regulations on facilities that accepted any federal monies.

Through its various child care subsidies, the federal government would gain the financial leverage to regulate child care services throughout the country. Much of the institutional child care network that already is feeding furiously from the federal treasury would lobby Washington for more money each year, all in the name of helping children. But professionals would attribute any inferior results by these institutions to too little funding and too little regulation. Thus, federal regulation gradually would overtake state regulation of day care facilities, or force the states to enact similarly constricting regulations at the state level. The Morella provision would open the door to special-interest control of day care by those who hope to drive out of business the day care providers most favored by parents; little of the funding would get to the intended beneficiaries—America's children and working parents.

CONCLUSION

In the past, Congress wisely avoided pressure from the professional day care industry. Lawmakers would be wise to do so again, and instead leave the choice of day care in the hands of parents, where it belongs. That a decision to use the excuse of helping lower-income federal workers to impose federal control of day care should move through Congress without serious debate would be inexcusable.

—Patrick F. Fagan is William H. G. FitzGerald Senior Fellow in Family and Cultural Issues at The Heritage Foundation.