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# Child Care Needs of Welfare Recipients In Maryland's Welfare Reform Program

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*Legislation mandating participation of welfare recipient parents in education and employment and training programs has created increased demand for provision of child care. Providing the most appropriate care for this unique population depends, ideally, on its needs and preferences. This study examines child care needs and preferences of a sample of participants in Maryland's welfare reform employment and training programs. Although care by a relative is most widely used by these respondents, it is not clear that this is the type of care preferred by the majority of respondents. This has important implications for policy decisions regarding child care funding.*

## Introduction

The Family Support Act of 1988, the nation's recent welfare reform law, establishes new obligations for Aid to Families with Dependent Children (AFDC) recipients and State governments. As a result, most AFDC families are now required to participate in education and job training activities as a condition of receiving welfare. Prior to the Family Support Act, only AFDC parents with school-age children were obligated to participate, although some states operated voluntary programs. Under the Family Support Act, this participation mandate extends to parents whose youngest child is age three or over. Although states have the option of reducing the age threshold to age one or over, few states planned to do so prior to implementation of the act (American Public Welfare Association, 1989), primarily due to the increased demand for child care that this policy would

create. Additionally, teenage mothers who have not completed high school are required to participate in educational activities that lead to a high school degree or equivalent, regardless of the age of their children.

While parents are enrolled in education and job training activities, states are required to guarantee child care assistance. If child care is unavailable, the participant cannot be mandated to participate in these activities. On April 1, 1990, the Family Support Act also required all states to provide child care assistance, as an entitlement, for up to 12 months for all recipients who leave welfare due to increased income from employment.

A major problem for policymakers, besides the inability to predict the supply and demand of child care for this population, is the general lack of information about the types of child care, especially arrangements most likely to be utilized by participants in these types of programs. For example, the minimal research in this area indicates that when licensed Purchase of Care (POC) child care is available, the uptake rate, or usage rate, is somewhere between thirty and forty percent (Hofferth and Sonenstein, 1983). Although there is no clear explanation for this low uptake rate, one hypothesis is that individuals prefer to have friends or relatives care for their children rather than leave them in a licensed center. Another hypothesis is that even when funds are available, there is a lack of available slots.

This study examines the child care arrangements used by participants in Maryland's initial welfare reform program that served as a prototype for the Family Support Act legislation. An important part of this research is the inclusion of the participants' assessment of their child care needs and preferences.

### Child Care Needs of Welfare Recipients: Previous Research

Research on the child care needs of AFDC recipients—the population targeted by welfare reform legislation—is somewhat limited. The research that does exist, focuses on the child care arrangements of this population, including client assessment of these arrangements.

*Child Care Arrangements*

Sonenstein and Wolf's (1988) Child Care and Self Sufficiency Study describes the child care arrangements made by AFDC mothers who work, and examines whether certain types of arrangements and subsidies enhance the ability of welfare mothers to get off welfare and stay off. This study found that 63% of their sample of AFDC mothers with children under 10 used a child care arrangement for their youngest child at least once during the fourteen month period of the study. The predominant form of child care used for preschool-age children was care by a relative, especially grandparents, regardless of whether the mother was employed or in school or training. Over half of infants and toddlers, and more than 40% of 4-5 year-olds received this type of care. The use of formal care (e.g., day care centers) increased with age of child; twenty-five percent of 4-5 year-olds were in centers. Only slightly more than one-third of these mothers paid out of pocket for their arrangements, and the proportion paying varied by type of care. Non-relative, out of home care (e.g., family day care home) was most likely to be paid for by the mother (60%); whereas care by a relative in child's home was least likely to be paid for by the mother (18%).

*Child Care Preferences of AFDC Mothers*

According to Sonenstein and Wolf (1990), the mother's decision to continue with a particular type of care is related to several factors including:

- the mother's reported satisfaction with the arrangement;
- the convenience of location and hours of operation; and,
- lower out-of-pocket costs, either as a result of public subsidies or inexpensive care provided by relatives or friends.

These findings have several implications for state welfare reform programming: "(1) Policies that lower the out-of-pocket cost of care probably will help increase the stability of child care arrangements that AFDC mothers choose; (2) Certain attributes of care (e.g., cost and location) may be more important to AFDC mothers than the type of care available, at least in terms of predicting the durability of a child care arrangement" (p.17).

Strand (1970), for example, found that working mothers choose child care arrangements that are most convenient.

A study by Hofferth and Wissoker (1990) supports the importance of cost, but also found that "quality" has the greatest effect on the selection of a child care center as opposed to other types of arrangements. Rothschild (1978) found that single parents chose their child care because the facility offered a structured program with a well-trained, competent staff focusing on the needs of the child, easy access in terms of nearness to home and flexibility of hours, and an environment which provided an extension of the home.

Welfare mothers are also interested in quality care. Maynard, Kisker, and Kerachsky (1990) found that the majority of mothers using child care were satisfied with their care, yet 34 percent of the low income mothers expressed a desire to change their child care arrangements, primarily so that their child could learn more.

The largest study of child care needs of this client population is the Manpower Demonstration Research Corporation's (MDRC) study of California's Greater Avenues for Independence Program (GAIN) (Martinson & Riccio, 1989). This investigation found that while 66% of mandatory participants used child care, over 97% of voluntary participants did so. Almost all of the voluntary registrants had a child under twelve, compared to just over half of mandatory registrants. Voluntary participants were much more likely (68%) to use GAIN funds to pay for child care than mandatory participants (29%). The vast majority of the volunteers in GAIN had a preschool age child and thus had different child care needs. Almost half of these volunteers used center-based care while only 10% of the mandatory participants used this type of care. The mandatory group favored using family and friends.

Yet the demand for formal child care programs such as center-based care is predicted to grow over the next ten years (Hofferth and Phillips, 1987). This is because full-time employed mothers with infants and toddlers (who represent two-thirds of mothers in the labor force with children under age 3) are relying more on center-based care. In contrast, part-time employed mothers of infants and toddlers continue to rely on

family day care or relatives. Although center-based care is the most expensive form of care, state subsidization of families in need of this care cuts the cost to more affordable levels.

### *Clients' Perceptions*

A study of AFDC mothers by Sonenstein and Wolf (1988) examined their assessment of their child care situation, including assessments of provider's experience/training, safety, child's opportunity to learn new things, child's feelings, convenience of hours and location, and satisfaction with this arrangement. Care outside of the home provided by relatives produced the lowest level of satisfaction, while in-home care by non-relative provided the highest level. This study also found that very few respondents were using their preferred choice of care. Less than half (45%) of mothers using group care said that this was their first choice; one-third of mothers using in-home care by a relative described this as being their first choice.

The MDRC study, however, found that overall, a majority (up to 76%) of those who stated a preference used their preferred type of care. Among mandatory participants using child care, 54% of those who preferred family or friends as caregivers were using this type of care. These respondents were also asked whether they perceived county staff as having attempted to influence their choice of provider. Two-thirds reported either that they were not encouraged to use formal arrangements (e.g., centers) rather than family or friends, or vice versa, or that both were encouraged equally.

The MDRC study also examined client perception of child care problems, finding that only 18% of all respondents reported problems.

Spakes (1982) examined the perceptions of clients participating in the Work Incentive Program (WIN), focusing on their perception of the program's mandatory training requirement and its impact on the family. She found that 24% of these clients described negative family effects, including "difficulties in obtaining adequate child care for children age 6 and older." She also found that 28% described negative personal or individual consequences, including "tension arising from family problems such as inadequate child care and abnormal behavior on the

part of unsupervised older children." A recent article by Popkin (1990) examines what welfare recipients think about their experiences with welfare programs and how these beliefs are affected, for example, by a sense of efficacy, and length of time on welfare. This study found that respondents' beliefs about obstacles preventing them from finding work are related to their sense of efficacy. In particular, 70% identified personal problems as a main obstacle to finding work (e.g., lack of education/skills, lack of child care, lack of transportation, and health problems). Equal numbers of both high- and low-efficacy respondents said they thought personal problems such as child care might keep them from finding work.

### Research Methodology

The purpose of this research was to document the child care needs of welfare reform participants, in order to provide a data base for more effective policy implementation in child care. Specific questions included:

1. What type of child care are participants currently using?
2. Are the child care needs of participants being met?
3. What type of child care do these participants prefer?

Three employment and training programs currently operating in Maryland under Project Independence (a Maryland welfare reform vehicle) were selected to represent a range of employment and training programs in Maryland: the Baltimore city OPTIONS program (located in a large urban setting), the Wicomico County BET program (located in a small town/rural setting), and the Frederick County Project Independence program (located in a small town/rural/exurban setting). These programs were selected to include representation of both urban and less-urban areas. An early study by Olsen (1977), for example, found rural-urban differences in child care use: child care was used more by urban than by rural residents, children of rural residents were more likely to be in school all day rather than part of the day compared to children of urban residents, and relatives were more likely to take care of children in urban than in rural families.

Another difference in the programs in Maryland was the policy on program participation, specifically, whether participation was mandatory or voluntary. Both the OPTIONS and BET programs required welfare recipients who were healthy and had no children under age 6 to participate, whereas the Frederick program was voluntary.

A random sample of welfare recipients registered in the OPTIONS program was generated from the total OPTIONS population (N=3470), resulting in a sample N of 600. Lists of all current participants in the BET (N=146) and Frederick County (N=296) programs were supplied by the directors of these programs.

Telephone interviews were conducted during March and April, 1989, by interviewers at the Loyola College Center for Social and Community Research, Baltimore, Maryland. Contacting respondents proved to be a major problem, in that large numbers of the original sample either had no telephone, or had a disconnected number. As a result, a full 65% of the BET sample was never reached, and more than half of the Frederick and OPTIONS sample were never reached. The response rate is somewhat low (37%) because of this, especially for the BET sample (27%).

Three hundred and seventy one (371) program registrants were interviewed: 56.6% from the OPTIONS program (N=210), 10.5% from BET (N=39), and 32.9% from Frederick County (N=122).

#### *Demographic characteristics*

At the time of the interview, about a third of the respondents were participating in a program activity, and 43% had participated in the past. The remaining respondents had not yet participated, although they were registered in the program. Slightly more than half (54%) of the respondents were working (34%) or in school (20%).

The average age of respondents was 29.6 years. Seventy two percent of the respondents were African Americans, with respondents in Baltimore representing the highest concentration of African Americans at 93%. Fifty-nine percent have never been married; another 35% are separated or divorced, meaning that



child care is extremely important because 94% of the respondents were single parents. About half (46%) were high school graduates. Forty percent had not finished high school and only 13% had some college experience.

A factor that will have an impact on the demand for child care is the number of children per family. Almost 80% of the respondents had two or fewer children, with forty-two percent having only one child. Less than one quarter of respondents had three or more children. The average age of children of all respondents was eight. As was the case with the California GAIN program, OPTIONS and BET respondents had been required to participate and were therefore more likely to have school-age children, thus reducing the need for full-time child care.

## Results

### *Current Child Care Use<sup>1</sup>*

*Type of care.* The majority of respondents (62.5%) used some form of child care, with the largest proportion using care by a relative (41%). The second most common type of care varied by sample: OPTIONS participants were most likely to use a friend or neighbor, BET participants used family day care, and Frederick participants used child care centers (Table 1). Surprisingly, only 46.3% used some form of regulated care.

Only 8% of the respondents were currently using a family day care home. Most (78%) of this type of care was registered and the majority of respondents thought it very important that this type of care be registered (73%). Most also thought that family day care should be subsidized by Social Services (61.2%).

*Hours and cost.* The mean number of hours in care per week was 21.7; mean cost per week was \$32.83 (Table 2). More than half (56%) of those who used care did not pay for it. Care by a friend or neighbor was generally paid care; only 29% was unpaid compared to 59% of care by a relative (Table 3). Although most child care users (60%) did not receive subsidized funds for child care, care in a center was most likely to be paid in full by Social Services, followed by family day care. In fact, more than two thirds of those using regulated care (i.e., center, family day care home, or after school care) paid nothing for this care.

Social Services paid all or part for only 17.5% of respondents who used a relative (Table 4).

Table 1

Table 1: Current Child Care Arrangements of Child Care Users, by Sample (N=245)

	Percent using each type of care				
	OPT	BET	FRED	TOTAL %	N
Daycare center/Preschool	10.5	17.2	21.7	15.1	(37)
Fam daycare home	6.0	17.2	13.3	9.8	(24)
Relative	42.8	41.4	38.5	41.2	(101)
Friend/neighbor	22.5	10.3	10.8	17.1	(42)
After-school	6.8	—	2.4	4.5	(11)
Stays alone	7.5	—	3.6	5.3	(13)
Licensed sitter	3.8	13.7	9.6	6.9	(17)

Table 2

Average Hours and Cost per Week, by Sample

	OPT	BET	FRED	TOTAL
HRS/WK	17.1	24.0	28.3	21.7
COST/WK	\$29.13	\$46.10	\$36.69	\$32.83
USERS WHO PAY (%)	50.4	37.0	33.0	41.0

Table 3

Cost Per Week, by Type of Care (Whole Sample)

Type	% who pay				
	zero	\$20-30	\$30-49	>\$50	
Daycare center/Preschool	67.5	5.4	5.4	8.1	13.5
Family daycare	66.6	4.2	12.5	—	16.7
Relative	59.0	18.0	11.0	4.0	8.0
Friend/neighbor	29.3	24.4	29.3	4.9	12.2
After school	72.7	27.3	—	—	—
Other	64.7	—	5.9	17.6	11.8

Table 4

*Percent Paid By Social Services By Type of Care*

Type	% Paid by Social Services		
	All	Part	None
Daycare center/Preschool	67.6	10.8	16.2
Family daycare	81.8	13.6	4.5
Relative	12.4	5.1	81.4
Friend/neighbor	12.8	10.3	76.9
After school	54.5	—	45.5
Other	42.9	14.3	42.9

*Length of time in care.* The majority of BET (57%) and Frederick (62.8%) users have been in their current child care situation less than six months. Among OPTIONS users, 39% have used this care for less than six months; 35% have used this care between six months and one year, or 61% have used the same provider for over six months, compared to 37.2% for users in a more rural setting (i.e., the BET and Frederick programs).

*Location and Transportation.* Most respondents used child care located near their homes. This category does, however, include those whose caregiver lives in the same home as the child. Type of transportation to child care sites varies by sample. The most common means of transportation used by OPTIONS respondents was walking; BET respondents were more likely to use their own car. Frederick respondents were spread out across categories (Table 5).

Table 5

*Percent Using Each Type of Transportation, by Sample*

	OPT	BET	FRED	TOTAL
None	27.1	17.2	21.3	23.9
Own car	6.8	48.3	26.7	18.9
Bus	9.3	10.3	8.0	9.0
Walk	51.7	17.2	29.3	39.6
Someone else drives	3.4	6.9	9.3	5.9
Other	1.6	—	5.4	2.7

*What People Like Most.* The most frequent response to the question asking what respondents like most about their current child care situation is that they trusted their caregiver because they are related (28.7%). Most respondents who are using a related caregiver indicated that this is what they like most about this type of care (64.2%). The second and third responses are convenience (18.4%) and reliability (10.8%). Again, this is especially true for those using a relative or a friend or neighbor. Users of center-based care are most likely to say that they like this type of care because it is educational (20.7%) or because of "good caregiver qualities" (20.7%) (Table 6).

Table 6

*What Respondents Like About Their Current Child Care*

Reason	Situation, by Type of Care				
	Center	FDC	Rel	Frnd	Total
Trusts Relative	—	4.2	64.2	2.5	28.7
Convenient	10.3	25.0	15.8	30.0	18.4
Reliable	3.4	12.5	10.5	15.0	10.8
Good Caregiver	20.7	29.2	1.1	7.5	10.3
Educational	20.7	8.3	—	—	7.6

*Biggest Problem.* Fifty-two respondents (22% of child care users) indicated that there were problems associated with their current child care situation. Cost appears to be the biggest problem for these respondents, with 17% of child care users listing this as the biggest problem (Table 7). Transportation is a close second, at 15%; however, this varies by sample. For BET users, transportation is the biggest problem.

Problems were not restricted to a particular type of care; 31% of the problems mentioned were cited by those using care by a relative, 25% by those using a friend or neighbor, and 19% by those using a daycare center. Cost and transportation were cited as problems by users of all three types of care; however, center users did not cite unreliability as a problem, whereas users of relatives and friends or neighbors did.

In summary, most respondents use child care, with care by a relative the most commonly used type of care at 27%. Most

Table 7

*Percent Who Cite Child Care Problems, by Sample (N=52)*

	OPT	BET	FRED	TOTAL
Cost	18.5	—	17.4	16.7
Transportation	11.1	25.0	17.4	14.8
Unreliable	11.1	—	8.7	9.3
Inflexible hours	11.1	—	4.3	7.4
Fear for safety	11.1	—	4.3	7.4
Child learns bad habits	—	50.0	8.7	7.4
Bad caregiver	3.7	—	8.7	5.6
No back-up care	11.1	—	—	5.6

care, or 62% of all care, is part-time (1-20 hrs/week); and more than one-half of users do not pay for their care. The average cost for those who do pay is \$32.83 per week.

Most respondents (76%) said that they had enough child care at the present time. However, 58% anticipated needing more care in the future.

The majority of respondents (68%) were very satisfied with their current child care arrangement (Table 8). Of those who were dissatisfied (9%), the reasons for dissatisfaction include need for immediate care, cost, and long waiting lists. There is no relationship between satisfaction and type of care.

### *Child Care Preferences*

Most respondents placed relative importance on certain characteristics of providers (e.g., location, cost, caregiver, etc.). Although all characteristics were considered "very important" by a majority of respondents (63% to 95%), safety and security had the highest mean rating, with 95% indicating that this is very important (Table 9). Surprisingly, flexible hours and cost had the lowest rankings on level of importance, at 62 and 67%.

The majority of respondents (72%) preferred a neighborhood location for child care, as opposed to care that is located near their work or training site.

Table 8

*Type of Care by Satisfaction with Present Arrangement*

	% who are			
	Very dissatis.	Somewhat dissat.	Somewhat satisfied	Very satisfied
Daycare center	6.7	3.3	16.7	73.3
Family daycare	4.3	8.7	21.7	65.2
Relative	2.0	4.0	23.0	71.0
Friend/neighbor	2.4	2.4	26.2	69.0
Sitter	11.8	—	17.6	70.6
After school	—	9.1	18.2	72.7
Stays alone	—	16.7	8.3	75.0
None	<u>7.6</u>	<u>3.8</u>	<u>26.7</u>	<u>61.9</u>
Column Total	4.6	4.6	22.8	68.0

Table 9

*Importance of Child Care Characteristics\**

Characteristic	% saying "very important"	mean rating (max.=4.0)
Safety	95.4	3.97
Caregiver	86.5	3.87
Nutritious meals	81.9	3.81
Location	77.4	3.78
Learning opportunities	77.9	3.76
Cost	67.1	3.66
Flexible hours	62.0	3.58

\*Respondents were asked to indicate the importance of each characteristic by describing it as not important (1), not very important (2), somewhat important (3), or very important (4).

Several questions were asked to assess respondents' perception of the role Social Services plays in child care selection and payment. When asked whether they most preferred direct assignment of a provider by Social Services or self-selection, the vast majority (85%) preferred to select a provider themselves. A number of respondents mentioned that they would prefer to

self-select from a list compiled by Social Services. More than half (57%) of respondents stated a preference for direct Social Services payment to the provider. Thirty-four percent indicated that they would prefer to pay the provider themselves, after receipt of Social Services funds.

Respondents were asked what type of child care they would prefer if this care was subsidized by Social Services. An unlicensed friend or relative was the preferred type of care for 40% of respondents (Table 10). About equal numbers preferred a licensed family day care home (28%) or a center (27%).

Table 10

*Percent of All Respondents Who Would Prefer to Use Social Services Money to Pay For Types of Care, by Sample (N=366)*

	OPT	BET	FRED	TOTAL
Daycare center	25.4	23.7	31.9	27.3
Licensed FDC home	27.8	28.9	28.6	28.1
Unlicensed friend/rel	43.5	42.1	34.5	40.4
Licensed sitter	1.0	5.3	5.0	2.7
No Preference	2.4	—	—	1.4

Respondents were asked a set of questions about their perception of family day care. Forty-three percent reported that there were advantages to this type of care, such as more attention, a home environment, and trust. Thirty-one percent thought there were disadvantages; specifically, the lack of an educational setting and the large number of children under care. The majority (59%) indicated that it did not matter if the caregiver was of a different race or culture from their own; however, 23% stated that they would feel uncomfortable with this situation.

*The Ideal Child Care Situation.* In order to determine respondents' perception of the ideal child care situation, two slightly different questions were asked of all respondents. When asked how their child care needs could be best met, the most frequent response was that the respondent's present situation best met their needs (13.5%). Thirty percent of these respondents are not currently using any child care; thirty percent are using care by

a relative; twelve percent are using a center; twelve percent are using a friend or neighbor.

The second and third most frequently cited responses were "convenient care" (12.9%) and "flexible hours" (10.8%) (Table 11).

Table 11

*Respondent's Perception of How Child Care Needs Can Be Best Met\**

Characteristic	% citing this	N
Present situation	13.5	50
Convenient care	12.9	48
Flexible hours	10.8	40
Trustworthy caregiver	9.7	36
Dependable	7.0	26
After school care	5.4	20
Relative	4.9	18
Don't Know	4.6	17
Affordable	3.8	14
Available	3.2	12
Licensed	3.0	11

\*(asked of all respondents)

The second question sought to determine which type of care respondents would prefer if they could have any type of child care. Slightly less than one-third (32%) of all respondents indicated a preference for center-based care. Thirty-three percent of child care users who prefer centers currently use this type of care (Table 12). Care by a relative is a close second in terms of preference (27.8%). Child care users who prefer this type of care are very likely to be using a relative for care (75.4%).

Family day care is the third most-preferred type, but only 12% of respondents cite this type of care as most preferred. Thirty-eight percent of users with this preference use this type of care. Respondents who are not currently using any child care are about equally divided between preference for center-based care (33%) and care by a relative (28%).



Table 12

*Percent Using Preferred Type of Child Care*

Preference	type currently used				% who prefer this type
	Center	Rel	Fend	FDC	
Daycare center	32.9	28.8	9.6	8.2	30.9
Relative	—	75.4	12.3	1.5	27.5
Friend/Neighbor	—	15.8	63.2	—	8.1
Family daycare	6.9	24.1	13.8	37.9	12.3

*Child Care Problems*

Forty-one percent of the respondents have missed work due to child care problems; 32% have had employment problems resulting from a lack of child care when their child was sick; 32% have been late due to child care problems. The fact that fewer respondents cite problems such as having lost a job (16%) or having to bring child to work (14%) may be misleading, given the nature of this population.

Child care problems identified by these respondents included inability to afford child care (51%), inability to find child care (44%), and having had to use unreliable care (23%). Respondents are especially loathe to leave children alone, however (Table 13).

Only 22% of the respondents indicated that they had been offered care and had refused it. Of those who have refused care, the reasons included location of care, the amount of time it took to obtain care, and that the program was not appealing.

*Summary and Conclusions*

Findings of this study appear to support anecdotal evidence that welfare reform participants rely on care provided by those related to them. In this study, the largest proportion of child care users used relative care. However, it is not clear that this is the type preferred by most respondents. Although 27.8% preferred care by a relative, almost one-third of respondents (32%) preferred center-based care, and a smaller group (12%)

Table 13

*Child Care Problems Experienced by Respondents*

Problem	% who have experienced problem		
	never*	sometimes	a lot
Unable to afford care	48.7	32.1	19.1
Unable to find care	56.2	28.8	15.0
No care for sick child	67.9	21.3	10.8
Missed work due to childcare	58.7	34.1	7.2
Been late due to childcare	67.6	27.7	4.7
Had to use unreliable care	77.3	19.1	3.6
Had to leave child alone	87.8	9.7	2.5
Had to bring child to work	85.6	12.7	1.7
Lost job due to childcare	83.3	15.8	.8

\*includes those who have never used childcare - this question was asked of all respondents

preferred a family day care home. Clearly, there was diversity in preferences for child care.

In order to best provide services that meet needs and preferences, these different types of care must be viable alternatives. Clearly, the subsidized program in Maryland, Purchase of Care, alone is not sufficient, given the number of respondents who wish to use unlicensed care provided by a relative or friend. And, payment by Social Services is a significant factor. The number of respondents who indicated they would prefer an unlicensed friend or relative increases to 40% when the stipulation "if Social Services paid for it" is added. However, most states, due to regulatory constraints, can not directly pay unlicensed providers.

The mandatory participation requirements of the Family Support Act require states to schedule participants for an average of 20 hours a week in education or training activities. Therefore, it is realistic to assume that participants may need both more reliable child care and additional hours of care. Relatives who have been providing part-time care may not be able to provide full-time child care, especially without reimbursement.

This is especially salient for OPTIONS participants. They have been using their child care arrangement for a longer period of time than those in the other two programs, and are most likely to be using care by a relative that is not reimbursed.

Issues other than payment of relatives have emerged from these findings. Location of care is another salient issue, perhaps especially for participants in less urban areas. Since the neighborhood is clearly preferred as the location of care, more efforts must be made to locate child care near the participant's home. Efforts to register more family daycare providers are justified, especially because creating an increased supply of family day care providers can be accomplished more rapidly than center-based care. In Baltimore, perhaps if more neighborhood family day care were available, this type of care would "catch on." An avenue worth exploring is the concept of double social utility: training and registering OPTIONS participants as family day care providers for other welfare participants. Although respondents in this study did not prefer family day care, would they use this type of care if they thought it was safe and if they knew the caregiver?

Child care centers appear to meet the needs and preferences of a sizeable group of this population, so funding slots to meet this need would be a viable policy option. Given the desire for neighborhood care, some attention should be paid to locating child care centers in areas where the participants reside. For example, centers located in or near housing projects could enable residents to work or become trained.

Funding a diversity of options and allowing participants in welfare reform programs to choose the provider appears to be the best policy recommendation. There is clearly a group—about one-third of these respondents—who will only be comfortable using a relative to care for their children. This group increases to 40% when the possibility of Social Service payment is incorporated. Given the comments of a number of respondents—especially those who currently are *not* using child care—indicating that they would never leave their children with any caregiver other than a relative, this must be an option in order to ensure participation of these individuals. Again, this is crucial given that teenage parents are particularly targeted by

the Family Support Act, and they may be the group most likely to need care by a relative, since infant care is generally the most difficult to obtain.

Finally, the need for reliable child care is crucial for this population which is required to participate in education and job training programs. If reliable child care is not available, the welfare client will not only lose access to valuable education and job training services and undoubtedly remain on welfare, but the state will be unable to meet federal JOBS program participation performance requirements.

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### Note

1. Findings are based on child care arrangement of respondent's first child. The child care use findings are no different for Child 2-5.