

## Federal Legislation to Improve Job Schedules and Child Care Access for Low-Wage Workers

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A new law and legislation under consideration in Congress could both make a significant difference in the lives of working parents who struggle to arrange and hold onto child care in the face of volatile job schedules:

- The Child Care and Development Block Grant Act (CCDBG) of 2014, signed into law on November 19, 2014, makes improvements to the health, safety and quality of child care, while also providing better and sustained access to child care assistance for low-income working parents.
- The Schedules that Work Act (SWA) of 2014 would enable workers to have more predictable, stable, and flexible job schedules, and compensate those who are subject to unpredictability.

This fact sheet highlights key provisions that would improve working parents' access to quality child care.

### The Problem: Access to Child Care and Volatile Job Schedules

Volatile and nonstandard job schedules are becoming characteristic of low-wage employment, increasing the child care challenges of workers who already face significant barriers to accessing affordable, quality child care.

Many workers' schedules are finalized just days before a shift; the number of hours they receive each week fluctuates wildly; and shifts vary from week to week. Workers are sometimes sent home from their jobs early—and only paid for a fraction of a shift—after they have already spent money on transportation and child care. Managers often change the schedule after it has been posted. Such volatility leaves workers with little consistency in their expected income and unable to plan other aspects of their lives, particularly child care arrangements.

For more on this topic, see <u>Scrambling for</u>
<u>Stability: The Challenges</u>
<u>of Job Schedule Volatility</u>
<u>and Child Care</u> at
www.clasp.org.

Parents with volatile schedules struggle to access licensed child care, which often cannot accommodate last-minute changes or variable hours of care. Many of these workers scramble to piece together a patchwork of child care arrangements, frequently relying on family and friends to care for their children. Lack of predictable income makes affording child care even more difficult.

Moreover, volatile schedules can compromise access to child care subsidies intended to help low-income parents with the high cost of child care. Under current law, states set child care subsidy policies under broad federal rules. State policies limit access to subsidies for parents with volatile job schedules in a number of ways. Some states require documentation of work schedules (not just employment) to determine eligibility for child care and to authorize care. Some states also tie the hours of authorized child care to the parent's actual work hours, making it nearly impossible to access formal care with a changing schedule. Many states also tie provider payments very closely to children's attendance, penalizing providers when children are absent (many times due



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to their parents' volatile work schedules) and creating a disincentive for providers to care for children whose parents experience instability in their employment.

These overlapping challenges risk both the economic wellbeing of families and the healthy development of children. Such schedules make parenting difficult and can cause children in low-income families to experience tremendous stress and instability as a result. And while these children have the most to gain from access to high-quality child care, the chaotic nature of their parents' employment puts those child care settings further out of reach.

Neither job scheduling policies nor child care subsidy legislation can solve the larger problems inherent in the low-wage economy entirely. However, it's clear that we need an economy that offers higher-quality jobs, with stable, predictable schedules. The SWA would create systems to move toward that goal. It's also clear that, in the meantime, we need child care subsidy programs that take into account the growing number of workers with volatile schedules, so that their children can access the care they need and deserve. The newly passed CCDBG Act offers an opportunity to make such improvements. To seize that opportunity, increased federal and state resources will be necessary.

# The Child Care and Development Block Grant Act of 2014 provides opportunities to improve child care subsidy policies for parents with volatile job schedules by:

- **Giving children 12 months of continuous child care assistance.** The law requires that states establish a minimum of 12-month eligibility for children receiving child care assistance. Once they have been determined eligible, children are to be considered eligible for no less than a year, regardless of temporary changes in a parent's employment or family income. Parents whose job schedules change frequently could be significantly helped when states award 12-month eligibility and eliminate interim reporting requirements that are particularly burdensome for these workers.
- Helping parents with fluctuating earnings retain child care assistance. The bill requires states to take into account irregular fluctuations in earnings when determining and redetermining eligibility.
- Increasing the supply and improving the quality of child care, including for children who receive care during nontraditional hours. The bill requires states to develop and implement strategies to increase the supply and improve the quality of various types of child care, including children who receive care during nontraditional hours. Strategies may include alternative payment rates for providers, direct contracts or grants with child care providers, or other strategies.
- Paying providers in ways that are similar to methods used by private-pay parents. The bill requires that states' provider payment policies reflect generally accepted payment practices used by parents who pay for child care without assistance. States are encouraged to implement enrollment and eligibility policies that support the fixed costs of providing child care by delinking provider payments from children's child care absences.



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#### The Schedules that Work Act of 2014:

For workers in all companies with 15 or more employees, the bill would:

• Give working parents with caregiving responsibilities the right to request and receive schedule changes. The bill requires employers to accommodate some workers' requests for schedule changes, unless the employers have bona fide business reasons for not doing so. While all workers would have the right to make a request for a schedule change—such as more flexible, predictable, or stable hours—without fear of retaliation, employers are only required to accommodate requests from those falling in one of four categories: workers with caregiving responsibilities, who have serious illnesses, who are enrolled in school or job training, or who hold a second part-time job.

For workers in all companies with 15 or more employees, the bill would:

- Enable workers to have more predictable schedules. The bill requires employers to provide workers with at least two weeks' notice of their schedules.
- Inform workers in writing of their expected minimum hours and job schedule. The bill requires employers to inform employees on or before their first day of work of their expected schedule and hours. If the schedule and minimum hours will change, the employer is required to notify the employee at least two weeks before the new schedule comes into effect.
- Compensate workers when they are sent home from work early. The bill requires employers to provide workers with "reporting pay"—regular rate of pay for four hours or the total length of the workers' shift if the shift is less than four hours—if they are sent home from work early.
- Compensate workers for schedules changes, on-call shifts, and split shifts. The bill requires employers to provide workers with one hour of "predictability pay" at their usual rate when the employer changes the schedule less than 24 hours prior to a scheduled shift; when the worker is scheduled for an "on-call" or a "call-in" shift, but is not called in; and when the worker is scheduled for a split shift (a shift interrupted by a non-working period that is not a meal break).

Taken together, both CCDBG and the SWA aim to provide low-wage workers and their families with the support and stability they need to obtain financial security. Congress has made a critical step forward by reauthorizing CCDBG, yet must still appropriate the resources so states can implement the bill's provisions. And the SWA would offer important protections to low-wage workers who struggle with the complications of volatile scheduling.