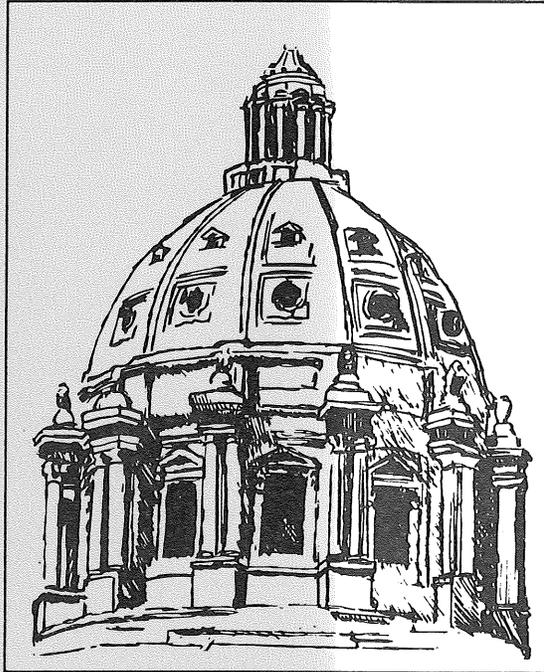




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LEGISLATIVE PROGRAM 1990

Commission on the Economic Status of Women

85 State Office Building, St. Paul, MN 55155 (612) 296-8590 or 1-800-652-9747

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CHILD CARE

CHILD CARE SLIDING FEE

For many women affordable child care services may make the difference between welfare dependency and economic self-sufficiency. Since 1976, the state legislature has funded a child care sliding fee program which helps low-income parents and recipients of Aid to Families with Dependent Children (AFDC) pay some or all of the costs of child care. For the 1990-91 biennium, the state's Child Care Fund was about \$34 million, plus an additional \$4 million set aside for students in post-secondary institutions. Federal and county funds also contribute to child care subsidies. Nearly two-thirds of the Child Care Fund goes to AFDC recipients or former recipients during their first year after leaving the AFDC program.

The \$34 million fund still does not serve all families who need and are eligible for help with their child care costs. At the beginning of fiscal year 1990 (July 1989) there were 12,000 families with about 19,200 children being served. As of November 1989, approximately 6,700 families were on waiting lists throughout the state. About 4,000 of these families are not receiving AFDC and will no longer have access to funds as they become available. Some will likely have to wait up to three years before receiving assistance.

AFDC recipients who want to participate in employment and training programs to help them move off of AFDC toward self-sufficiency are not able to enter programs because child care assistance is not available. Also, the number of former recipients eligible to receive up to one-year of child care subsidy is expected to increase and those receiving assistance will continue to need at least partial subsidy after their one-year of transitional help. In addition, "working poor" families who have never received AFDC but are working for low wages have been "bumped" from receiving subsidies or have never received them. The Child Care Fund need to be expanded to serve a greater share of all families. An increase of \$10.5 million would expand the availability of child care subsidies to more families in these groups.

Goal of Legislation

1. Increase the Child Care Fund to enable continued expansion of the STRIDE program, to encourage eligible AFDC recipients to participate in employment and training programs, and to help more working poor, non-AFDC families help with their child care costs.

CHILD CARE ASSISTANCE FOR POST-SECONDARY STUDENTS

Many women need child care services in order to enroll in and complete educational programs. Educational programs that offer child care services provide women with greater access to education and employment opportunities.

During the 1987-89 school year, there were 4,665 students with dependent children and eligible for financial aid at the state's vocational institutes, community

CHILD CARE, continued

colleges, state universities, private colleges and the University of Minnesota. The average number of children for each of these students was two.

In 1989, the legislature created a separate fund of \$4 million to help non-AFDC students who need help with their child care costs while attending one of Minnesota's post-secondary institutions. The fund is administered by the Higher Education Coordinating Board. Schools participating in the program reported only 700 students being served by this fund in the fall of 1989. Another 397 students with about 637 children were eligible for assistance but were placed on waiting lists because the schools ran out of funds.

Students who apply for child care funds at their schools are eligible for a maximum of 12 quarters of enrollment. Previous time spent in school is included in the 12-quarter limitation, regardless of whether or not they received child care assistance during that time. Many students, especially students who are also raising children, do not complete a degree program in 12 quarters. Several programs, in fact, require longer than 12 quarters to complete. The 12-quarter enrollment limitation should be changed to 48 calendar months of child care subsidy. This would enable a larger share of students to benefit from the subsidy and make this program compatible with the Child Care Fund Program administered by the Department of Human Services.

Minnesota's post-secondary institutions have developed on-site child care centers for use by students, staff and faculty. Not every campus has a program and some existing programs need expansion or improvement. These efforts should be encouraged.

Goals of Legislation

1. Expand the \$4 million child care fund administered by the Higher Education Coordinating Board for post-secondary students to serve more eligible students.
2. Change the eligibility standard for post-secondary child care assistance from 12 quarters of enrollment to 48 calendar months of subsidy.
3. Encourage expansion and improvement of child care facilities on post-secondary campuses.

CHILD CARE WORKERS PAY

The child care field has one of the highest turnover rates, 42 percent, of any profession and it is 98 percent female. Employee salaries are low, and benefits are rarely offered. The work done by child care professionals has not been valued, even though workers in centers and family day care homes are participating in that child's social and academic development. As one way to raise salaries, child care workers should be encouraged to seek educational opportunities to improve their skills. Child care providers should have incentives to seek accreditation which reduces turnover rates and increases wages as indicators of quality of care.

Goal of Legislation

1. Create pilot programs which can enhance the wages and benefits for child care workers in accredited programs.

CHILD CARE AND OTHER FAMILY POLICIES IN BUSINESS

Employers can play a key role in helping their employees with family child care responsibilities. They may offer on-site or near-site facilities. They may buy "slots" in already established child care programs or work with other companies to do so. They may offer several types of financial assistance to help their employees pay the high costs of quality child care. The state of Minnesota should encourage and provide incentives to those companies which are helping their employees meet their parenting responsibilities.

Goals of Legislation:

1. Support efforts to create and improve employer family-based policies in the areas of sick child leave, disability benefits, parental leave and child care benefits.

PAY EQUITY

The fundamental concept of pay equity is that a job should be paid according its value, not the sex of the person in it, and that the value of the job should be determined using objective criteria. These criteria include factors such as skill, effort, responsibility and working conditions. Historically, pay rates have reflected sex discrimination in all aspects of employment and "women's work" has been valued less than "men's work."

The state of Minnesota has made a significant commitment to pay equity for state employees and employees of local units of government.

The 1984 legislature passed the Local Government Pay Equity Act requiring local units of government to establish equitable compensation relationships between female-dominated, male-dominated and balanced classes of employees. Each local unit of government was required to use a job evaluation system to determine the comparable work value, identify the pay inequities in their workplace and develop a plan to eliminate the inequities. Completion of the implementation of pay equity must occur by December 31, 1991, unless another date has been approved by the commissioner of Employee Relations. A fiscal penalty will be imposed upon local units of government which have not implemented on the date required.

After preliminary analysis of plans which were submitted to the commissioner of Employee Relations questions have been raised about the clarity of the language which will be used by the commissioner in determining compliance with the law.

Questions have also been raised as to whether the purpose of the Local Government Pay Equity Act was to eliminate sex based wage discrimination, or whether there was some broader purpose. In addition, since the plans for implementation were submitted some time ago, many of the political subdivisions have made substantial changes to their implementation plans, making the plans unusable for determining compliance with the requirements of the law.

Goals of Legislation

1. Clarify the definition of implementation of pay equity.
2. Define the procedures for determining compliance and for the resolution of disputes.
3. Require a final report so that implementation can be determined based on current information.

CHILD SUPPORT

The number of single-parent female-headed families has grown dramatically in recent years. In 1980 there were more than 59,000 such families in Minnesota, accounting for 12 percent of all families with children. These families are economically vulnerable. Almost one-third with children under 18 and almost half of those with children under six are living in poverty. Many of these families live in poverty because they receive inadequate or no support from the absent parent.

Divorce has different economic consequences for men and women. The standard of living of most divorced men improves after divorce. However, the standard of living of most divorced women and their children plummets. According to a study of California divorce cases there was a 42 percent rise in the standard of living of men after divorce, while divorced women and their children experienced a 73 percent decline. A recent Minnesota study showed similar results.

The most recent Census Bureau report on child support shows that little progress is being made in attempts to have child support ordered and enforced. In 1985, 61 percent of women with custody were awarded child support. Of these women, only 48 percent received the full amount awarded, 26 percent received less than they were due and 26 percent received no child support payments. Of the women without child support awards, 48 percent requested support but were unable to obtain it because of an inability to locate the father, establish paternity or some other reason.

INCOME TAX INTERCEPT

An individual has the right to petition a court to obtain an order allowing interception of an income tax refund in order to collect overdue child support. If the individual is a former AFDC recipient and the county has already filed a claim, the county will receive payment on its claim first. Changing the order of priorities in payment of these funds would also further the goal of supporting former AFDC families.

INFORMATION ABOUT OBLIGORS

Child support obligees whose child support orders are being collected by the Child Support Enforcement Office (IV-D) and who are trying to determine the feasibility of terminating their welfare eligibility are unable to obtain information about the whereabouts, employment and income of the absent parent from IV-D. The continued likelihood of collecting child support is a critical factor in making a decision to leave AFDC. While current law insures that information about the actual amount of child support paid is provided to the obligee quarterly, other information about the obligor is protected. At the same time the obligee is not always able to rely on IV-D for continued child support collection service. If collection services will no longer be available from the child support enforcement office and if the

CHILD SUPPORT, continued

obligee needs the information in order to enforce a child support order this information should be provided to the obligee.

Goals of Legislation

1. Provide an exception to the Data Practices Act to allow the child support enforcement agency to provide information about the obligor to a non-AFDC recipient who needs the information to enforce a child support obligation (when collection services are not available from the county.)
2. Change the order of priority for interception of income tax refunds to place claims for child support by non-AFDC recipients ahead of claims for child support by the county.
3. Make necessary changes to facilitate garnishment of bank accounts of obligors whose child support payments are more than one month in arrears.

GENDER FAIRNESS IN THE COURTS

The Supreme Court Task Force on Gender Fairness in the Courts, established in 1987 to "explore the extent to which gender bias exists in the Minnesota state court system, to identify and document gender bias where found, and to recommend methods for elimination," issued its report in September, 1989. The report contained numerous findings and recommendations in four categories: Family Law, Domestic Violence, Civil, Criminal and Juvenile Justice, and Courtroom Environment. Many of the recommendations focus on educating judges and attorneys in areas of gender bias. Some of the recommendations will require legislation.

FAMILY LAW

The legislative recommendations regarding family law address three issues.

Child Support

The Minnesota child support guidelines which were adopted by the legislature in 1983 were found to be too low to adequately support children. In addition, the Task Force found that the guidelines are used by the court as a maximum amount, rather than the minimum to be awarded.

Goal of Legislation

1. When the Minnesota legislature re-examines its child support guidelines as required by federal law, it should adopt an approach to establishing child support levels that reduces the disparity after-divorce between the standard of living of custodial parents and children and non-custodial parents.

Custody

The Task Force found that the courts do not specify why it is in the best interests of the child to order joint custody over the objections of one of the parents.

Goal of Legislation

1. Judges should use great caution in deciding to order joint custody. It should be imposed over the objections of one of the parents only where the court makes specific findings which identify why such an order is in the children's best interests.

Access to the courts

Especially in the area of family law women and men do not have equal access to the courts, primarily because of their different economic status. Experienced family law attorneys require advance payment of large sums of money. Many women do not have access to funds or even a line of credit which would allow them to provide such a retainer.

GENDER FAIRNESS, continued

Judges are reluctant to award temporary attorney fees or costs. This has increased the need for retainers and may lead some women to settle their cases prematurely and to accept inadequate maintenance, under-valued property, lower child support awards and loss of custody. Judges also do not award attorney fees in post-divorce actions, such as motions to increase child support, making it virtually impossible to pursue such actions in many cases.

Goals of Legislation

1. The law should be amended to encourage the award of temporary attorney fees in marriage dissolution actions where the party has the ability to pay and failure to receive an award would deter the economically dependent spouse from effectively pursuing relief in family courts.
2. State resources should be made available for the funding of legal representation for poor people in family law matters.

DOMESTIC VIOLENCE

Minnesota has some of the nation's most progressive domestic abuse statutes. It has, in addition, both in the public and private sectors, longstanding and knowledgeable advocates who are committed to the enforcement of domestic abuse laws. Nevertheless, the Task Force found compelling evidence to conclude that domestic abuse victims do not receive the relief, either civil or criminal, that the legislature intended to provide.

The domestic violence statutes provide both civil and criminal avenues into the judicial process. Both approaches are available in a given case. The Domestic Abuse Act allows a victim of domestic abuse to obtain an Order for Protection (OFP) in civil action. The victim of domestic abuse decides whether to go into civil court to petition for an Order for Protection.

A variety of criminal statutes may be used to prosecute an incident of domestic abuse, but only a prosecutor may decide whether to pursue a domestic violence case in criminal court.

Goals of Legislation

1. State funding for the hiring and training of domestic abuse advocates should be increased.
2. State funds should be mandated to make domestic abuse advocacy services available in every county of the state.
3. The state should create a statewide computerized data base on domestic violence, available to law enforcement, prosecutors, courts and probation officers, to be accessed under both victim and abuser names, to include:
 - a. existing OFPs and their conditions;

- b. existing conditions of bond or probation;
 - c. pending criminal charges;
 - d. past domestic violence criminal history; and
 - e. past OFPs.
3. Police reporting requirements regarding domestic violence should be expanded to require law enforcement officers, prosecutors, courts and probation officers to report the items above into the statewide data base.
4. Medical care providers should be required to report incidents of domestic violence to law enforcement authorities and to preserve and make available physical evidence of injury collected from the victim.
5. Presentence investigations should be mandated in all cases of conviction for domestic violence, without ability to waive the requirement.
6. All city and county prosecutors should be required to have a plan for the effective prosecution of domestic violence cases. The plan should include:
- a. A single prosecutor should be responsible for each case from initial charge to disposition
 - b. There should be early contact between prosecutor and victim, with earliest possible domestic abuse advocate intervention .
 - c. Use of subpoenas should become standard procedure in all domestic violence prosecutions necessitating appearance of the victim.
 - d. Coordination among law enforcement authorities is needed to preserve prompt complaint evidence by means of videotape or audio recording.
 - e. A policy commitment to end discretionary dismissals for reasons of "victim noncooperation" is needed.

ECONOMIC DEVELOPMENT

Women are often faced with a lack of viable opportunities to participate in all aspects of the mainstream economy. Most discussions of employment and training for women have only recently begun to include the option of self employment or entrepreneurship. Business ownership offers women the potential for economic independence, although the risks are great.

The growth in the number of women-owned businesses is a significant social and economic change. In Minnesota in 1977, there were 11,713 women-owned businesses. In 1982, there were 63,098 businesses run by women.

Women need access to resources critical to business success. Programs that help women develop business plans, learn business skills, and, most importantly, acquire financing and gain access to capital, are crucial to the success of women

Minnesota has operated a set-aside program for socially or economically disadvantaged businesses since 1975. This program was designed to benefit small businesses owned and operated by socially or economically disadvantaged (SED) persons. An SED person was defined as one "who has been deprived of the opportunity to develop and maintain a competitive position in the economy because of social or economic disadvantage." Women are included in this definition.

A 1989 U.S. Supreme Court decision, (Crosby) struck down similar set aside programs in Virginia and Michigan and caused the cessation of the set aside programs in Minnesota. The 1989 legislature responded by establishing a Small Business Procurements Commission whose task was to determine whether there was sufficient evidence of discrimination in the state to justify a race and gender based program according to the criteria set out by the Supreme Court and to recommend the establishment of a program which would meet these criteria.

Goals of Legislation

1. Support efforts to increase small business and economic development opportunities for women.
2. Enact a race and gender based procurement program for government purchasing based on documentation in the report of the Small Business Procurements Commission and containing severe penalties for obtaining a contract under false pretenses.
3. Amend the Human Rights Act to prohibit discrimination against a business based on the race or sex of its owner.
4. Direct state agencies with oversight of lending institutions to review lending practices to determine where discrimination exists and to take steps to eliminate discrimination where found.
5. Establish additional programs to provide working capital financing for small businesses and to fund surety bond guarantee programs.

MINIMUM WAGE

The federal minimum wage law was first enacted in 1938. Since then it has been amended seven times. The law was originally advocated as a major instrument for economic recovery and stability in the depths of the depression.

The minimum wage is important to working women since they represent the majority of adult minimum wage workers and since they are more likely than employed men to have low earnings. Although women are only 46 percent of the work force they constitute nearly two-thirds of all minimum wage workers. These women are important income contributors for their families. Fifty-five percent of female minimum wage workers are over 25 years old and 74 percent are over 20 years old. About ten percent of women maintaining families earn the minimum wage or less.

A full-time year-round worker earning the current (1990) federal minimum wage would receive \$8,216 in a job covered by state law and \$7,904 in one covered by federal covered job. The earnings from a federally covered job amount to \$1,844 less than the poverty level guidelines for a family of three in 1989. When the federal minimum wage rises to \$4.25 per hour in 1991, a family of three would still be \$1,220 below the 1989 poverty level.

The minimum wage level takes on added economic importance for single women maintaining families. In order for these single heads of households to become self-sufficient, it is important that these women be able to earn enough to make it economically feasible to leave public assistance for full-time work and still support their families.

Unless these families earn an adequate wage, government has to spend public dollars for public assistance programs to serve them. A liveable minimum wage increases the opportunities for these women and their children to become self-sufficient and not have to rely on our overburdened welfare system.

The minimum wage needs to be at a basic, adequate level. There should also be a mechanism so that there can be future increases in the minimum wage to compensate for inflation and maintain purchasing power.

Goals of Legislation

1. Legislation should be enacted to increase the minimum wage.

PRENATAL CARE FOR LOW INCOME WOMEN

In 1989 the legislature increased eligibility for Medical Assistance for low income pregnant women. This increase in eligibility has produced an increased number of low income pregnant women seeking prenatal care. One consequence of the increased number of clients seeking service is that numerous clinics have decided to limit the number of medical assistance cases they will accept. This is partially due to the low reimbursement rate provided by the system.

The ironic result is that although more low income women are seeking prenatal care, they are not necessarily being served. Some are being served by going to other communities. For others this is not feasible.

There are a sufficient number of medical providers who accept medical assistance, but service cannot be guaranteed in some areas of the state.

Federal law prohibits providers who participate in the medical assistance program from discriminating. This includes a prohibition against treating medical assistance patients differently from private pay patients. It also means doctors cannot limit access to their services by taking only referrals from other doctors, or by taking only cases with a particular diagnosis.

For example, a provider cannot refuse to take all new pregnancy cases, but can limit a practice to taking only a certain percentage of medical assistance cases overall. Many of the new clients seeking service are newly eligible pregnant women.

Goals of Legislation

1. Increase reimbursement to doctors for obstetrical services for medical assistance recipients.
2. Establish or expand maternal and well baby clinics through the public health nursing service in locations where obstetrical care is not available for medical assistance recipients.

FAMILY PLANNING

Since 1978 the Minnesota Legislature has funded Family Planning Special Projects to provide family planning services grants through the Department of Health. For the current biennium slightly more than \$2.3 million in grants were awarded for this purpose to cities, counties and nonprofit corporations. These funds were awarded to 60 agencies which submitted proposals. A total of 70 of the state's 87 counties received some services. Monies from this grant also fund a family planning hotline. The hotline is available five days a week and receives several hundred calls each month from individuals and health care professionals in all Minnesota counties.

The state Local Public Health Law allows local health boards to provide community health services designed to protect and promote the health of the general population. The services are administered locally under state guidelines. The local boards are to develop and maintain an integrated system of community health services. They are also charged with coordinating local, state and federal services and funding. Funding available under the Local Public Health Law may be used for family planning. At least five community health service agencies use these funds for family planning.

States receive funds from the federal Maternal and Child Health Block Grant. Approximately one-third of the funds are used at the state level. They are used in part to maintain a family planning consultant and a maternal/infant nursing consultant who are available to agencies throughout the state for technical assistance and training.

Monies from the Maternal and Child Health Block Grant are available to local agencies through a formula grant program administered by the Minnesota Department of Health to community health service agencies. Family planning is one of the three categorical services that can be provided to the low-income and high risk populations served by this program. Forty-five of the forty-seven community health service agencies which cover all Minnesota counties received this funding.

Goal of Legislation

1. Provide continued funding through the Minnesota Department of Health for family planning.

ABOUT THE COMMISSION

The Commission on the Economic Status of Women is a legislative advisory commission established by the Minnesota Legislature in 1976. Commission members include state senators and representatives. The Commission studies all matters relating to the economic status of women in Minnesota and publishes reports and recommendations to the legislature and to the Governor.

Commission members are:

Senator Linda Berglin
Senator Gary DeCramer
Senator Pat Piper, chair
Senator James Ramstad
Senator Ember Reichgott
Representative Karen Clark
Representative Connie Morrison
Representative Katy Olson, vice chair
Representative Howard Orenstein
Representative Gloria Segal