Low-income families could keep child care help longer under bill moving in Senate

March 16, 2015 | Filed under: Poverty, Top stories | Posted by: Lesley Weidenbener

By Andi TenBarge TheStatehouseFile.com

INDIANAPOLIS – A bill that could help low-come Hoosiers become self-sufficient is one step closer to becoming law.

House Bill 1616 – authored by Rep. Ed Clere, R-New Albany – would allow federal Child Care and Development Fund voucher program participants to continue receiving benefits until the family income exceeds 250 percent of the federal poverty level or 85 percent of the state median income.

Currently, families are dropped from the program when their incomes exceed 200 percent.

Clere said that creates a cliff effect, in which Hoosiers trying to move up in the workforce lose benefits before they can afford to.

"Some can make just little bit more money and lose their entire benefit," Clere said. "Doing better can actually mean doing worse."

The bill passed the Senate Family and Children's Services Committee 7-0 and was recommitted to the Senate Appropriations Committee for a debate about its fiscal impact.

Derek Thomas, the senior policy analyst for the Indiana Institute for Working Families, said the current phaseout measure is preventing low-income Hoosiers from taking a promotion or working overtime.

Clere said he hopes the proposal will lead to more conversation about transitioning Hoosiers from subsides to becoming self-sufficient.

Lucinda Nord, vice president for public policy at United Way of Central Indiana, said 10,000 children are on the waiting list to enroll in the benefit program. That waiting list is expected to grow if HB 1616 is signed into law.

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