PS1 for 7/6/89 # What the Senate-Passed Daycare Bill Means

As Senate Democrats were emoting last week about how they plan to spend the taxpayers' money to provide daycare, I had a vision of their next social program. It could sound like this.

"We have a crisis in housing. American workers can't find the kind of housing they want and need at a price they can afford, and those who do have a house are having a hard time making their mortgage payments. The majority of wives are in the paid labor force now, and they find that most of their paycheck goes for housing.

"The Federal Government must make housing more affordable and available. Therefore we propose a Housing Care Bill with funds to build more units of public housing and improve the units we have. We will give certificates or vouchers to families which can be spent in public housing units.

"Existing public housing isn't safe because of the high incidence of crime and drugs, so we will create a national commission to draw up new federal regulations to prevent abuses and improve quality. Of course, all these taxpayer benefits will go only to those who use public housing."

You would have a hard time finding sponsors for such a new liberal social spending bill. Why? Because the American people have already had a good look at federal housing, and they don't want to live there if they can possibly avoid it, and they don't believe that more money or more federal regulations will make it desirable.

Over the last 40 years, the income tax deductibility of property taxes and mortgage interest has been a powerful influence in helping Americans to own their own homes. If anyone want to improve housing affordability, availability and quality, the best way is to vote for tax deductions, not for federal spending to bureaucrats, regulators, "housing providers," or certificates spendable only for public housing units.

On June 23, when the liberal Democratic majority in the Senate passed S. 5, the Dodd ABC Daycare bill with the Mitchell and Bentsen amendments, they did for preschool children exactly what this mythical "Housing Care" scenario would do. They invited American workers to put their babies in government-regulated daycare at the taxpayers' expense (a HUD for babies?), while the big majority of families who don't accept this invitation are massively discriminated against.

The Mitchell-Bentsen amendments added a tax credit ONLY for employed mothers who purchase daycare, and a tax credit for low-income parents ONLY if they buy expensive health insurance for their preschool children (a windfall to the insurance industry). Very low-income families who reject public daycare were given a few crumbs off the table in the form of an Earned Income Tax Credit.

The Senate Democrats are trying to undo the results of last November's election. They want people to forget that federal-daycare-Dukakis lost and nondiscriminatory-tax-credit Bush won.

The funny thing is that the conservative/profamily forces won the battle of rhetoric in Congress. It was amusing to see so many Senators talking emotionally about how much they love tax credits, mothers in the home, grandmothers and religious daycare, while at the same time they were passing a bill that is massively discriminatory and unjust toward all family child care and a downright fraud when incomes to religious daycare.

During one of those hypocritical outbursts, Senator Dodd got so carried away with himself that he said, the government guarantees certain standards for your car and your pet, so “your children deserve no less!” No one but a childless demagogue could believe that the American people want the bureaucrats to regulate our children like our cars and pets.