Child Care: Keeping Kids Safe and Essential Services Afloat

Last updated April 16, 2020

The CPC Center thanks AFL-CIO, American Federation of Teachers, CLASP, Community Change Action, MomsRising, the National Education Association, National Association for the Education of Young Children, National Employment Law Project, and National Women's Law Center for their contributions and insights.

Background

In the midst of this public health crisis, our child care system is in serious danger. Child care and early learning programs are critical to ensuring essential workers like health care workers, grocery store clerks and delivery drivers can get to work. In addition, we must keep child care providers and early educators afloat so that these essential programs survive the crisis and are ready to provide critical early learning for our children when the crisis has passed.

Child care providers and families in need of child care face three core challenges in the current crisis. First, many child care programs across the country are closing their doors as parents keep their children at home due to stay-at-home orders and school closures. As a result, child care providers need direct assistance to cover their operational costs, including paying their staff. Unless this assistance becomes available, these programs may be forced to close or driven into bankruptcy. Most child care programs that receive child care assistance receive funds based on attendance, not enrollment. Now, more than ever, child care assistance funds need to flow to providers regardless of whether children are coming through their doors.

Second, for child care programs that stay open to serve essential workers, immediate financial assistance is needed to pay for programs operating for longer hours, especially 24-hour child care coverage. Programs also require funding for necessary protective gear and supplies, as well as guidelines to ensure the health and safety of providers, parents, and children.

Third, frontline emergency service workers like nurses or grocery store workers need a safe place to send their children and assistance paying for emergency care, especially for those who need longer child care coverage. First responders need financial help immediately to help ease the financial burden child care costs impose, on top of the incredible strain of being a first responder.

Current Congressional State of Play

On March 23, 2020, House Democrats introduced the **Take Responsibility for Workers and Families Act**, <u>H.R. 6379</u>, which included \$4 billion for CCDB Grants, \$1 billion for Head Start, child care assistance for health care workers and emergency personnel, and reimbursement of child care and other family care for federal employees required to work. The proposal introduced by Senate Republicans did not include any substantial child care proposals.

On March 27, 2020, Congress passed legislation providing \$3.5 billion for Child Care Development Block Grants (CCDBG) and \$750 million for Head Start for emergency staffing needs in the CARES Act. This a great first step in addressing some of the current challenges child care providers, families, and workers face, but billions of dollars are still needed to prevent the child care system from collapsing during this pandemic. Senators Elizabeth Warren (D-MA) and Tina Smith (D-MN) released a proposal on April 15, 2020 requesting \$50 billion for child care in the next coronavirus relief package in order to keep the system afloat as outlined below.

Keeping Child Care Providers Open: Enrollment vs. Attendance

Child care must continue to function to ensure essential workers have care during the crisis and safeguard providers so that our child care system can recover after the crisis ends. Providers face a huge financial blow when attendance drops because many federal programs tie assistance to attendance. A steep drop in attendance may make it untenable for providers to continue operations, leading to layoffs and closures.¹

To allow providers to continue to operate, and ensure that essential workers continue to have access to care, child care programs, both centers and in-home providers, need **\$50-\$100** billion in emergency funding that is tied to enrollment, not attendance, to provide back-up care, cover substitutes, provide additional sanitary supplies and services, and bridge interruptions in payments from parents and caregivers.² Even for those providers who are forced to temporarily close because no children are coming through their doors, federal child care assistance funds should continue to flow to ensure that child care providers' own children can be fed and clothed, and that these essential businesses are ready to reopen when the crisis ends.

The Department of Health and Human Services should **issue guidance on flexibility for states** under the Child Care Development Block Grant (CCDBG), Temporary Assistance for Needy Families (TANF), Head Start, and Early Head Start programs.

Protections and Assistance for Child Care Programs

Keep child care programs afloat. A survey conducted by NAEYC found that 30 percent of child care providers would not survive a closure of more than two weeks while 17 percent said they would not survive a closure of any time. To keep child care programs from going bankrupt, emergency funds need to be poured into the child care system to prevent it from collapsing. These emergency funds are needed for payments to programs and workers in the case of COVID-19 closures, coverage of payments that parents and caregivers are unable to make, substitute child care educators when needed, providing "hazardous pay" or higher levels of compensation for programs that remain open, providing 24-hour coverage for essential workers, and access to the supplies and resources needed to keep their facilities clean, safe, and healthy.

Financial assistance through grants. Child care programs should have access to additional grants to cover their costs upfront. The <u>Supporting Students in Response to Coronavirus Act</u>, introduced by Senator Patty Murray, includes \$600 million for grants for child care programs and a 10 percent reservation for the Secretary to award grants to Head Start programs. This legislation provides a critical lifeline of support for child care programs. Eligibility for <u>FEMA's Public Assistance Program</u> should be expanded to include all CCDBG-elgilible child care programs. If new supplemental funds are not readily available, the Department of Health and Human Services must re-allocate returned CCDBG funds from the states to the child care programs.⁴

Small business loans. The CARES Act provided billions of dollars in Small Business Administration (SBA) forgivable loans and Economic Injury Disaster Loans (EIDL), to provide relief from SBA loan payments, and SBA emergency grants that some child care providers may be eligible for. These loans are intended to cover specific costs such as wages, paid leave, health insurance or retirement benefits, mortgages or rent, or utilities.⁵ Additionally, child care providers will need support in navigating small business loan application processes. Providers not eligible for relief under the small businesses provisions should be automatically enrolled in mortgage forbearance, provided with rent deferrals, and supported with utility and insurance payments for a minimum of three months and up to six months.⁶

Unemployment insurance. The CARES Act expanded unemployment insurance (UI) to include workers who are generally excluded from UI, increase the benefit level by \$600 each week, and provide 13 additional weeks of UI benefits that some child care program staff will be eligible to receive if they don't have any work or their work hours are reduced.⁷

³National Association for the Education of Young Children. "Child Care in Crisis. Understanding the Effects of the Coronavirus Pandemic." March 2020. https://www.naeyc.org/sites/default/files/globally-shared/downloads/PDFs/our-work/public-policy-advocacy/effects of coronavirus on child care.final.pdf ⁶National Education Association. "Top NEA Requests for Next COVID-19 Legislative Package." March 2020.

https://educationvotes.nea.org/wp-content/uploads/2020/03/COVID-19-Legislative-Asks-Post-HR6201.pdf

Linda Smith & Kathlyn McHenry. "Congress Supports the Child Care Market Through COVID-19." Bipartisan Policy Center. March 2020. https://bipartisanpolicy.org/blog/congress-supports-the-child-care-market-through-covid-19/

⁶National Association for the Education of Young Children. "Child Care is Essential and Needs Emergency Support to Survive." March 2020. https://www.naevc.org/resources/blog/child-care-needs-emergency-support

National Employment Law Project. "UNEMPLOYMENT INSURANCE PROVISIONS IN THE CORONAVIRUS AID, RELIEF, AND ECONOMIC SECURITY (CARES) ACT." March 2020. https://www.nelp.org/publication/unemployment-insurance-provisions-coronavirus-aid-relief-economic-security-cares-act/

Paid sick days and paid leave. Child care programs with less than 500 employees are eligible for some reimbursement when eligible employees take paid sick and family leave for qualifying reasons under the CARES Act, although that law also allows small businesses to seek a hardship exemption for the paid leave requirements.

Waive specific requirements. The Office of Child Care under the U.S. Department of Health & Human Services should encourage states to waive very specific requirements around the age band requirements such as strict staff to child ratio standards per age group. With K-12 schools closed, many frontline workers may need additional child care for older children as well as the younger children typically served by most child care providers. States need to work directly with child care programs that remain open to ensure they are set up to care for both young and older children during this crisis.⁸

Workers' safety and protection. Child care program staff serving children and families are especially at risk of contracting COVID-19. The Occupational Safety and Health Administration (OSHA) must issue an emergency temporary standard (ETS) to protect all workers, including child care program staff, at potential risk of exposure to COVID-19. Child care employers need access to protective gear, resources and training on how to keep their staff safe and healthy.⁹

Children's health and safety. The health and safety of children and families enrolled in child care programs remains a priority. In addition to funding to cover the costs of remaining open, programs need funding to clean and sanitize these facilities to reduce the risk of the spread of COVID-19. Public health experts need to be available to provide direct assistance to child care programs that remain open to advise them on best practices during the pandemic including how to enforce strict hand washing and appropriate sanitizing routines, provide guidance for child care providers on health and safety practices in response to COVID-19, and supporting social distancing training and activities.¹⁰

Protections and Assistance for Families and Children

Services for families. Children and families enrolled in child care programs rely on the health, nutrition, and educational services they provide. Child care programs need access to resources to continue to deliver these services including virtual home visits, meal pickup arrangements, and mental health resources. States need to waive their policies that

⁸ National Association for the Education of Young Children. "Child Care is Essential and Needs Emergency Support to Survive." March 2020.

https://www.naevc.org/resources/blog/child-care-needs-emergency-support
PAFL-CIO. "Working People's Demands in the Face of the COVID-19 Pandemic." March 2020.

https://aflcio.org/aboutleadershipstatements/working-peoples-demands-face-covid-19-pandemic

¹⁰CLASP. "Policymaking Principles for Supporting Child Care and Early Education Through the Coronavirus Crisis. March 2020. https://www.clasp.org/publications/fact-sheet/policymaking-principles-supporting-child-care-and-early-education-through

[&]quot;CLASP. "Policymaking Principles for Supporting Child Care and Early Education Through the Coronavirus Crisis. March 2020. https://www.clasp.org/publications/fact-sheet/policymaking-principles-supporting-child-care-and-early-education-through

terminate children due to lack of attendance.¹² Parents and caregivers exposed to or infected with the virus need access to 24-hour coverage of child care to ensure they can care for themselves and prevent the spread of COVID-19. Additionally, a strong outreach and communications plan must be implemented so parents know about child care program options available to them in all relevant languages.¹³

Frontline workers. Frontline workers including health care workers, service-sector workers, grocery store workers, and truck drivers are putting their lives at risk to keep us safe and healthy. These workers must be able to work knowing that their children are safe, including access to additional child care support like 24-hour child care coverage. Child care workers are also frontline workers during this crisis and should be eligible for increased protections and hazard pay along with other frontline workers.

Financial support for families. Double the <u>Child Tax Credit</u> to help families with their financial needs in caring for their children. Copayments and tuition for families should be eliminated for the duration of the crisis while ensuring child care providers are fully paid for their enrollment, not their current attendance.

Conclusion

Future policies to provide coronavirus relief must provide for our essential child care workforce and for the other essential workers who are now in need of emergency child care assistance, so that they can continue serving on the front lines of this pandemic and so that child care program that have shuttered will be ready to re-open when the pandemic subsides. This is in all of our interest. If child care providers have the support they need to return to work quickly when it is safe to do so, workers with children will be able to get back to work much more quickly too.

¹²National Education Association. "Top NEA Requests for Next COVID-19 Legislative Package." March 2020. https://educationvotes.nea.org/wp-content/uploads/2020/03/COVID-19-Legislative-Asks-Post-HR6201.pdf

Thational Association for the Education of Young Children. "Child Care is Essential and Needs Emergency Support to Survive." March 2020. https://www.naevc.org/resources/blog/child-care-needs-emergency-support