



May 4, 2020

Dear Members of Congress:

In the wake of the coronavirus, the child care industry is facing serious challenges. While the dedicated field of child care professionals has come together to ensure public health guidance is followed and care is available for frontline personnel, more is needed to ensure that child care programs, both center-based and family child care, survive in the long term. Without meaningful federal investment in child care, there will be barriers for parents as they return to work. Americans agree. A recent poll conducted in partnership by Child Care Aware[®] of America and Save the Children Action Network found that four in five voters support the child care industry receiving targeted financial assistance from the federal government to address the impact of COVID-19.¹

While the \$3.5 billion increase to the Child Care and Development Block Grant (CCDBG) provided by the Coronavirus Aid, Relief, and Economic Security (CARES) Act (H.R. 748) has been helpful, it is far from what the child care system needs to survive this crisis. Additionally, loans provided by the Small Business Administration (SBA) are time-limited and have been unable to reach many child care programs.² In total, the federal response for child care has been insufficient. **Child Care Aware[®] of America urges Congress to provide at least \$50 billion in dedicated child care funding in response to the COVID-19 pandemic.**

Child Care Aware[®] of America is a national, membership-based nonprofit organization working to advance the affordability, accessibility, and quality of child care environments and to support the positive development and learning of all children in child care. Founded in 1987, we advocate for child care policies that improve the lives of children and families, lead research that advances the child care and early learning field, leverage technology to help families make informed decisions about child care and provide professional development for child care providers.

To advance our mission, we rely heavily on our relationships with Child Care Resources & Referral (CCR&R) agencies. CCR&Rs are part of a nationwide system with touchpoints at the local, state, and national levels. These agencies support the families in their communities by helping them navigate complicated child care systems and by leading initiatives that increase the quality, affordability, and accessibility of child care. With over 400 community-based

¹ *Survey: Vast Majority of Voters Support Financial Assistance for America's Child Care Industry to Address COVID-19 Impact.* Child Care Aware[®] of America in partnership with Save the Children Action Network. April 2020. <https://info.childcareaware.org/media/survey-vast-majority-of-voters-support-financial-assistance-for-americas-child-care-industry-to-address-covid-19-impact>

² *From the Frontlines: The Ongoing Effect of the Pandemic on Child Care.* National Association for the Education of Young Children (NAEYC). April 17, 2020. https://www.naeyc.org/sites/default/files/globally-shared/downloads/PDFs/resources/topics/naeyc_coronavirus_ongoingeffectsonchildcare.pdf

agencies serving over 860,000 families a year, the CCR&R network is the most trusted place to find child care.

The role that CCR&Rs play has only become more valuable since the onset of the pandemic. They coordinate emergency care for essential personnel, distribute crucial supplies to mitigate the spread of the disease, communicate program availability to states and community leaders, and provide technical assistance to help providers access both state and federal supports such as the SBA loans. They also continue to communicate with parents regarding the status of child care programs, as well as connect essential personnel to available child care options and financial supports. Throughout this crisis, CCR&Rs have been a critical mechanism for parents, providers, and policymakers to communicate with one another on child care. This gives CCR&Rs a unique perspective on the state of child care across the country, and the gaps that remain.

Unfortunately, these gaps are far too large to overcome without at least \$50 billion in dedicated child care funding. **This funding would not only help provide emergency care for health care workers and other essential personnel in the immediate term but would also prevent child care programs from closing permanently and help working families access these programs upon their return to work in the months ahead.**

Providing Emergency Care for Essential Personnel

There is substantial demand for emergency child care during the pandemic. Across the country, there are over 20 million children under the age of 12 with at least one parent considered essential personnel.³ About 2.8 million live in a single-parent household.⁴ In response to this need, providers across the country are stepping up to ensure care is available for these families, and CCR&Rs are working overtime to coordinate these providers and connect essential workers to available programs.

Yet providing emergency care comes at a cost. Last October, our *Price of Care* report revealed that the price of child care continues to increase, with the average annual price of care in the US ranging from \$8,331 for home-based child care to \$10,451 for center-based programs.⁵ However, the cost of providing emergency child care is much higher as class sizes are reduced due to public health recommendations and labor costs increase. Also, these providers face additional costs for personal protective equipment and sanitization and mitigation supplies. Models show that the cost of emergency care is equal to 119 percent of the typical cost of home-based care, and 123 percent of the typical cost of center-based programs.⁶ Altogether, in a recent report from the National Women's Law Center (NWLC) and the Center for Law and

³ *Child Care Demand for Essential Workers*, Child Care Aware® of America, 2020. <https://www.childcareaware.org/coronavirus/child-care-essential-workers-coronavirus-outbreak/>

⁴ *Ibid.*

⁵ *The US and the High Price of Child Care*, Child Care Aware® of America, 2019. <https://usa.childcareaware.org/advocacy-public-policy/resources/priceofcare/>

⁶ Ulrich, Rebecca and Aaron Sojourner. *Child Care is Key to Our Economic Recovery*. National Women's Law Center (NWLC) and the Center for Law and Social Policy (CLASP). April 2020.

<https://www.clasp.org/sites/default/files/publications/2020/04/CKKeytoEconomicRecovery.pdf>

Social Policy (CLASP), the cost of supporting providers offering emergency care for essential personnel is estimated to be \$6.3 billion per month.⁷

Ensuring Child Care Programs Survive and Reopen

Before the pandemic, America was already facing a child care shortage; from 2017 to 2018 alone, 48 percent of states reported a decrease in child care centers, while 83 percent of states reported a decrease in family child care.⁸ Last year, there were more than 250,000 licensed center-based and family child care programs, and our country's long-lasting child care crisis means working families cannot afford to lose any of them.⁹ For this reason, policymakers must ensure as many licensed child care programs as possible can reopen and be available to families upon their return to work. The current state of child care, however, paints a bleak picture.

In an April 2020 survey of more than 5,000 National Association for the Education of Young Children (NAEYC) accredited providers, nearly half of center-based programs surveyed, and over a quarter of family child care programs surveyed, are currently closed.¹⁰ Moreover, 85 percent of those open reported operating at less than half of their enrollment capacity.¹¹ This translates to more than 100,000 provider closures across the country, with many more operating at significantly reduced capacity.¹² With 27 percent of providers reporting they can only survive closure for one month, many child care programs will likely not be able to reopen absent additional funding.¹³ This not only leaves most of America's 1.27 million child care workers vulnerable to unemployment, but it harms working families who will face a potential loss of up to 4.5 million child care slots.¹⁴ The only way to prevent this is by increasing federal funding. NWLC and CLASP research estimates that the cost to fully fund providers while closed is \$3.9 billion per month.¹⁵

Enabling Families to Access Child Care Upon Their Return to Work

The American economy will improve again, but a lack of access to high-quality child care will hold back our workforce. For working families, a barrier to accessing child care is cost; in 30 states and the District of Columbia, the average annual price for infant care is higher than in-state tuition at a public four-year college.¹⁶ For the average single parent, that cost is equal to 36 percent of household income.¹⁷ Even before the pandemic, the high cost of child care was a barrier for work for millions of families, resulting in \$57 billion of lost earnings, productivity, and

⁷ Ibid.

⁸ Checking In on the Child Care Landscape: 2019 State Fact Sheets. Child Care Aware® of America, 2019. <https://www.childcareaware.org/our-issues/research/statefactsheets/>

⁹ Ibid.

¹⁰ *From the Frontlines: The Ongoing Effect of the Pandemic on Child Care*. National Association for the Education of Young Children (NAEYC). April 17, 2020.

¹¹ Ibid.

¹² Ibid.

¹³ Ibid.

¹⁴ Jessen-Howard, Steven and Simon Workman. "Coronavirus Pandemic Could Lead to Permanent Loss of Nearly 4.5 Million Child Care Slots." Center for American Progress. April 24, 2020. <https://www.americanprogress.org/issues/early-childhood/news/2020/04/24/483817/coronavirus-pandemic-lead-permanent-loss-nearly-4-5-million-child-care-slots/>

¹⁵ *Child Care is Key to Our Economic Recovery*. National Women's Law Center (NWLC) and the Center for Law and Social Policy (CLASP). April 2020.

¹⁶ *The US and the High Price of Child Care*, Child Care Aware® of America, 2019.

¹⁷ Ibid.

revenue for the U.S. economy.¹⁸ In addition, even with the aforementioned supports for the child care system during this pandemic, steps must be taken to ensure future emergencies do not lead to the same challenges.

To enable families to access child care as they return to work and ensure the system is sustained, funding is needed to:

- Take steps to ensure that child care is affordable for all families;
- Support providers and build the supply of licensed, high-quality family and center-based child care programs;
- Ensure health and safety regulations in place are enforced, and ensure every child care program has the necessary supplies for ongoing sanitation and mitigation;
- Resource training and supports to address health and mental health needs; and
- Fund CCR&Rs to continue their consumer education, resource, and referral roles, and invest in their efforts to build the infrastructure of the child care system.

Conclusion

The \$3.5 billion provided by the Coronavirus Aid, Relief, and Economic Security (CARES) Act (H.R. 748) is the first step towards supporting the needs of the child care system during this pandemic, but more will be needed. Child Care Aware® of America urges Congress to provide at least \$50 billion in dedicated child care funding in their coronavirus response.

Sincerely,



Lynette M. Fraga, Ph.D.
Executive Director

¹⁸ Ibid.