

PICKING UP THE PIECES: BUILDING A BETTER CHILD CARE SYSTEM POST COVID-19

POLICY RECOMMENDATIONS

September 2020

Picking Up the Pieces highlights that the COVID-19 pandemic has only exacerbated existing disparities in our nation's child care system. Years of underinvestment in child care met with the challenges of the pandemic underscore the difficulty in attaining accessible, affordable and high-quality child care.

Public policy plays an important role in shaping the child care system we know today, and public policy can play an important role in shaping the child care system of the future. To ensure the child care industry recovers and that the system returns stronger than it was before, we need change. Public investment and policy change that reflect the needs of providers, parents and children, will ensure we realize a stronger child care system.

It is clear that child care is essential for many Americans to be able to return to work and to rebuild a strong economy. And, we know that quality child care supports the cognitive and socio-emotional development children need. Child Care Aware® of America's (CCAoA) urges federal and state policymakers to consider the recommendations presented here to support the child care system and help it emerge from our current public health and economic crisis stronger for the future. In addition, CCAoA's [Public Policy Agenda](#) provides the compass that guides our efforts and keeps us driving toward our ultimate goal of supporting all children, families and providers.

Investment

As *Picking Up the Pieces: Building a Better Child Care System Post COVID-19* explains, with the additional stresses the pandemic has put on an already fragile child care system, \$50 billion in emergency relief is needed to stabilize the system. This significant funding level is necessary to support families as they return to school or the workforce, save thousands of child care jobs and businesses and ensure that we have a child care system to return to when COVID-19 subsides.

A stronger child care system is not possible without dependable, robust public funding in the long term. For improvements to be made in **accessibility**, **affordability** and **quality**, policymakers must invest in child care. Currently, child care relies on a patchwork of funding streams that places too high a burden on families and on providers earning low wages. High-quality early childhood education that is accessible and affordable to all families is a public good and must be valued and funded as such. Fully funding child care would mean: all eligible children can access a high-quality child care slot with no waiting lists; quality child care openings are available in all communities; families can afford child care and providers and early childhood educators (ECEs) are paid a fair and living wage (along with benefits) that allows them to be economically secure. The following recommendations flow from what is needed and possible with full funding of child care.

Accessibility

Even before the outbreak of COVID-19 and the associated closures of child care programs, the supply of child care was decreasing. As *Picking Up the Pieces: Building a Better Child Care System Post COVID-19* explains, between 2018 and 2019, 53% of states reported a decline in the number of child care centers and 79% of states reported a decline in family child care (FCC) providers. And, 17 of 32 states that submitted data for July 2020 analyzed in *Picking Up the Pieces: Building a Better Child Care System Post COVID-19* lost more than 25% of their child care capacity.

FEDERAL SOLUTIONS

For child care to be more accessible for all families, policymakers need to focus on building supply and cultivating a strong child care workforce that incentivizes providers to stay in the field. Many states report that they are seeing a decrease in the overall number of child care providers over the past decade, with an alarming drop in the number of family child care providers. If we are to stop this decline, policymakers must prioritize policies that make the early childhood education profession more attractive to new entrants and that advance an effective, diverse and well-compensated workforce. Policymakers should also provide facility grants to encourage more new centers and programs to open.

STATE SOLUTIONS

State policymakers also have a role in supporting the financial stability of providers so families can have more high-quality options when they are searching for child care. Given the impact of the pandemic on the child care sector, state policymakers can continue to implement responsive policies immediately. This includes continued emergency grants available to help cover necessary sanitation equipment and supplies, hazard pay for educators, utilities and rent, and lost revenue to help providers cover bills, pay staff and resume operations. If they haven't done so already, states should adjust payment policies so reimbursement to providers in federal and state subsidy programs is based on enrollment, rather than attendance. State and local governments must create collaboration, in the form of taskforces and joint plans, between school systems and child care stakeholders so parents are not struggling to find care when schools inevitably shift between in-person and remote learning.

Affordability

For many families, child care costs consume a large portion of their income. As *Picking Up the Pieces: Building a Better Child Care System Post COVID-19* explains, in the Midwest, Northeast and South, the price of full-time, center-based care for two children is the highest category of household expenses, including housing, transportation, food and health care. In the West, the price of child care for two children is surpassed only by the high price of housing.

FEDERAL SOLUTIONS

To make child care affordable for more families, policymakers should expand income eligibility for subsidies. Policies should ensure no family under 150 percent of state median income pays more than seven percent of their income on child care. Additionally, families under 75 percent of the state median income should not have to pay anything at all. Additionally, policymakers should expand child care tax credits for families.

STATE SOLUTIONS

To put child care within reach for more families during the ongoing public health and economic crisis, in an equitable way, state leaders should consider implementing or extending policies put in place during COVID-19 around child absences and redetermination periods, reducing or eliminating family co-payments, and increasing the income limit for initial eligibility for assistance.

Quality

Research shows that children who attend high-quality child care programs have positive long-term outcomes in later childhood and beyond. The long-term benefits include high school completion, higher income, better physical health and stronger families. But, as *Picking Up the Pieces: Building a Better Child Care System Post COVID-19* explains, quality child care requires investment and support.

Quality care provides the emotional and academic support children need to be school-ready by the time they enter kindergarten. It is culturally and linguistically responsive and provided by engaged and caring child care providers. Quality child care incorporates physical activity time and developmental screening practices and follows food safety guidelines. Additionally it includes a safe and stimulating physical environment, along with positive relationships between the provider and the family.

Child Care Resource and Referral Agencies (CCR&Rs) meet child care professionals and businesses where they are – and support them as they advance on a quality continuum. Strategies include offering mentoring and coaching, developing quality improvement plans, and connecting child care businesses and professionals to scholarships and grants to increase educational attainment and improve quality.

FEDERAL SOLUTIONS

Congress needs to invest in child care and support efforts to ensure all child care settings meet strong quality and safety standards, now, during a pandemic, and into the future. This includes ensuring that federal funding for child care is tied to strong quality and safety regulations.

Children are safe and healthy when their basic needs are met. Policymakers should also provide robust support to complementary services like the Supplemental Nutrition Assistance Program (SNAP), Temporary Assistance for Needy Families (TANF), Medicaid, Children's Health Insurance Program (CHIP), Home Visiting (MIECHV) and more. In addition, policymakers should act to make child care health consultants available to child care providers, with the funding and resources needed to serve all providers and children.

STATE SOLUTIONS

To bolster high-quality programs during COVID-19, state policymakers must continue to develop, update, and disseminate guidance for early childhood educators on safe practices. States should also ensure that child care providers, through state lead agencies and CCR&Rs, have access to the supplies they need for things like sanitation and personal protective equipment (PPE). States can incentivize and support programs to move toward a higher quality threshold set by the state lead agency by providing increased stabilization fund amounts to those with higher ratings.

In addition to supporting pandemic-linked needs, state policymakers should also invest in CCR&Rs and their ongoing work to bolster high-quality child care. And, states should continue to recognize quality child care programs through things like licensing, accreditation from early childhood organizations such as the National Association for the Education of Young Children (NAEYC) and ratings through a Quality Rating and Improvement System (QRIS).