

## Overview

As the novel coronavirus (COVID-19) continues to spread in the United States, the child care industry is suffering. There have been widespread layoffs and closures in the industry as a result of the drop in enrollments due to the virus. But, early childhood education programs are essential during emergency public health and economic crises for the children and families they serve. Quality child care provides many benefits to a child's learning and healthy development and is a vital part of America's labor market and economy. Without child care, children aren't receiving the education they need, and parents aren't able to go to work or attend school. In the Congressional Economic Stimulus Package, the Coronavirus Aid, Relief and Economic Security Act (CARES Act), there are many provisions that could financially help the child care industry.

## Child Care During COVID-19

Many parents employed in hospitals, pharmacies, public safety jobs, and grocery stores, must continue to work during the pandemic. These parents rely on child care but due to the effects of the virus, many child care facilities have temporarily or permanently closed. It is very hard for child care programs to remain open during a crisis because of financial constraints such as lack of funding due to drops in attendance. As of March 25, 5,035 child care centers and family child care homes in California reported they had closed because of the coronavirus. The virus could cause permanent closures and result in negative impacts on children, families, businesses, and the economy.

At least 3.5 million children of health care workers in the nation's most populated areas could eventually need emergency child care. In an attempt to meet this need, some states including New York, Michigan, Delaware, and Maryland have suspended some child care regulations such as zoning rules or education requirements. Washington D.C. opened six emergency child care facilities on March 26th to serve the children of health-care workers. Since March 18, more than 550 YMCA gyms around the nation have been converted into day care centers and are caring for more than 25,000 children.

## Funding

Child care programs have always operated on very small margins, and without operating revenue during this time the businesses will financially suffer. Specifically, fixed costs and the staffers will not be paid. In a recent survey by the National Association for the Education of Young Children, half of respondents report that their center is completely closed, and another 15% report that they are closed to everyone except children of essential personnel. Now, hundreds of thousands of programs have closed across the country, plus many more programs are operating with significantly reduced enrollment. Parts of the CARES Act provide direct relief and assistance to the nation's child care industry as they continue to struggle with the effects of the crisis. Through the Child Care and Development Block Grant (CCDBG) Program, 3.5 billion in grants were given to child care providers to prevent them from going out of business and to support child care for families, healthcare workers, first responders, and others playing critical roles during this crisis. \$750 million in grants were given to all Head Start programs to help them respond to the coronavirus-related needs of children and families. Through the Public House Operating Fund, \$685

## Center Forward Basics

Center Forward brings together members of Congress, not-for-profits, academic experts, trade associations, corporations and unions to find common ground. Our mission: to give centrist allies the information they need to craft common sense solutions, and provide those allies the support they need to turn those ideas into results.

In order to meet our challenges we need to put aside the partisan bickering that has gridlocked Washington and come together to find common sense solutions.

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million are being used for activities to support or maintain the health and safety of impacted individuals and families, and activities to support education and child care for impacted families.

The CARES Act provides opportunities for additional funding for small businesses. For example, nonprofit and for-profit child care providers with less than 500 employees are eligible to apply for small business loans. These loans include 8 weeks of payroll, mortgage or rent and utility payments, and are eligible for loan forgiveness. The Act also expands eligibility for businesses suffering economic harm due to COVID-19 to access the Small Business Administration's (SBA) Economic Injury Disaster Loans. This flexible funding will help family child care and community-based child care programs survive the growing public health and economic crisis.

## Economic Recovery

Not only is child care necessary for first responders, health care providers, and other essential personnel during the COVID-19 pandemic, but it will also serve an important role in America's economic recovery. If child care programs do not receive the necessary funds to stay open during the crisis, the programs may be forced to permanently close. If this were to happen, many parents would not have the child care they need when they return to work. Therefore, child care has the potential to affect America's long-term economic success. Some propose \$25 billion in a Child Care Development Block Grant to pay providers the equivalent of 12 weeks of care for each child enrolled in their program before the pandemic started. It is vital to help people safely return to work after the health crisis subsides.

## Links to Other Resources

- The Dickinson Press - [Child care providers to receive financial help through emergency grants](#)
- Ed Source - [Parents, teachers struggle as child care centers close in California](#)
- Education Week - [Congress Sends Coronavirus Aid Bill With \\$13.5 Billion for Schools to Trump](#)
- Fast Company - [The coronavirus crisis is hitting childcare workers especially hard](#)
- First Five Years Fund - [Here's What's Included for Child Care in the Congressional COVID-19 Economic Stimulus Package](#)
- The Hill - [We need bold action on child care](#)
- Inside Sources - [Child Care Critical for Congressional Economic Support Package](#)
- NPR - [With Survival At Stake, Small Business Owners Frustrated By Aid Delays](#)
- Reuters - [Trump administration seeks \\$250 billion more in aid for small U.S. businesses: Mnuchin](#)
- Today - [YMCA offers emergency child care for front-line workers desperate for help](#)
- U.S. Chamber of Commerce - [Implementing a National Return to Work Plan](#)
- The Washington Post - [D.C. will open emergency child-care centers for children of health-care workers](#)
- The Washington Post - [States scramble to arrange child care for essential workers](#)