

United States Senate
WASHINGTON, DC 20510

March 21, 2020

The Honorable Mitch McConnell
Majority Leader
United States Senate
317 Russell Senate Office Building
Washington, DC 20510

The Honorable Charles Schumer
Minority Leader
United States Senate
322 Hart Senate Office Building
Washington, DC 20510

Dear Leader McConnell and Leader Schumer,

The Families First Coronavirus Response Act, passed on March 18, was a critical first step to addressing the public health crisis caused by the COVID-19 pandemic, but it is clear that additional Federal investments are imperative to mitigating the vast impact of this crisis and stabilizing our economy writ-large. In particular, the child care sector is experiencing an unprecedented strain, and Congress must act immediately to invest at least \$50 billion in a child care bailout to states as part of the third stimulus package.

Child care is the backbone of our nation's economy. Yet, for decades, we have failed to invest the public dollars needed to ensure that all families have access to high-quality, affordable child care and that providers are well-compensated for their critical work. The COVID-19 pandemic is highlighting the unfortunate consequences of a long-time underinvestment in our child care infrastructure, and therefore, immediate action must be taken to address these gaps for child care providers, educators, families.

Child care providers are struggling to stay afloat and may be forced out of business permanently. If providers are closed, they do not have revenue coming in to pay their staff and other operational costs. They cannot survive without public investment to cover these costs. In fact, a survey from the National Association for the Education of Young Children (NAEYC) of more than 6,000 providers from March 12-16 showed that 30% of providers would not survive a closure of more than 2 weeks.¹ For the educators employed by these providers, they will lose their jobs and income necessary to afford basic necessities and to pay ongoing bills, like rent. For family child care providers who operate out of their homes, losing revenue and their business

¹ https://www.naeyc.org/sites/default/files/globally-shared/downloads/PDFs/our-work/public-policy-advocacy/effects_of_coronavirus_on_child_care.final.pdf

can also mean the loss of their housing. Providers that eventually re-open may face difficulty re-hiring qualified staff due to the low wages that early childhood educators often receive. Our communities already face a shortage of affordable, high-quality child care; providers closing or losing their staffs during this crisis will make it even more difficult for families to find care and significantly hamper the economy's eventual recovery.

Providers that stay open, either by necessity or choice, currently lack the supplies, training, and funding they need to serve families and children safely, such as cleaning supplies, public health information in all relevant languages, and hazard pay for their staff. Small business loans are insufficient to meet this need: child care businesses typically already have extremely thin margins and are unlikely to be able to easily repay new debt. Child care providers are no less deserving of a bailout than large corporations.

Support for these providers supports our workers in the healthcare, grocery store, janitorial, or transportation industry, who are critical in the response to COVID-19. Families are struggling to figure out how to pay their own bills, including child care bills. For frontline workers, child care is a necessity; they cannot continue to help the rest of the nation cope with this public health emergency without it, and they shouldn't have to worry about they can afford it. Income eligibility requirements in the Child Care Development Block Grant Program (CCDBG) should be waived for frontline workers for the duration of this crisis to ensure that they can access affordable care while serving their essential community functions.

Further, other families may lose their jobs or be forced to reduce their hours as a result of this crisis, impacting their income and financial security. These same families should not be forced to pay for child care during this time when their finances are stretched so thin. Simultaneously, providers should not be expected to make up the difference between what families can pay and what it costs to care for children.

Therefore, Congress must act immediately to provide at least \$50 billion in child care funding to states to address these needs in the third stimulus package. The money should be used for the following:

- Pay providers to cover their ongoing operating costs when they are closed so their financial security, and the security of educators they employ, is not threatened. This must include centers as well as home-based providers, such as family child care homes and family, friend, and neighbor care.
- Eliminate copayments or tuition for families during this crisis and ensure that providers are still paid the full amount for that enrolled slot.
- Provide paid sick leave for educators and provide funding to providers to fully cover this cost.
- Find and pay for substitute educators, where needed and when available.
- Provide higher levels of compensation such as hazard pay for child care providers and educators serving children of frontline workers or operating for longer hours.
- Help state or local agencies or organizations keep track of child care programs that are closing and those that have available slots, in order to identify child care providers that may need assistance and to match supply and demand.
- Purchase materials for providers that cannot afford or find supplies on their own.

- Pay for staff at call centers and child care resource and referral agencies to respond to the needs of child care workers, including to assist them in offering guidance to the families they serve as they cope with the current crisis.
- Provide training and medical support for child care providers on health and safety practices in response to the virus, available in all relevant languages.

In addition, the third stimulus package should include expanded paid leave, unemployment insurance, housing assistance, and other supports for families and communities. The supports should be designed so that all child care providers and educators, whether in centers, family child care homes, or family, friend, and neighbor care, can participate and take advantage of the benefits.

These investments are essential to mitigate the impact of the public health crisis now, but are also critically important for our eventual recovery. Unless we act now, our child care system will be harmed irreparably.

Sincerely,



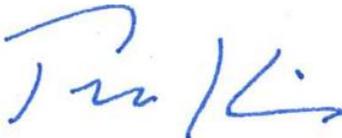
Tina Smith
United States Senator



Elizabeth Warren
United States Senator

/s/ Senator Robert P. Casey, Jr. (digital)

Robert P. Casey, Jr.
United States Senator



Tim Kaine
United States Senator

/s/ Senator Mazie K. Hirono (digital)

Mazie K. Hirono
United States Senator



Cory A. Booker
United States Senator