

FACT SHEET: The Child Care is Essential Act (S. 3874/H.R. 7027)

The pandemic has forced millions of parents to make impossible choices between caring for their children and earning a paycheck. Parents and child care providers are suffering. As of April 2020, nearly sixty percent of child care providers have shut their doors due to coronavirus,ⁱ and unless Congress provides significant funding for the industry, many of these closures will be permanent.

That's why Congress must pass the **Child Care is Essential Act (S. 3874/ H.R. 7026)** introduced by Representatives DeLauro (D-CT), Clark (D-MA), Scott (D-VA), and Senator Murray (D-WA) which would provide a **\$50 billion child care stabilization fund** to sustain the child care sectors, support working families, and reinforce the critical role child care providers play in the nation's ability to recover from the pandemic.

Stabilizing the child care industry is critical for reopening the economy.

More than half of our child care industry could disappear due to coronavirus. Without child care, parents won't be able to go back to work and the economy will not be able to reopen.ⁱⁱ If Congress fails to provide significant funding, the coronavirus pandemic could lead to a permanent loss of nearly 4.5 million child care slots.ⁱⁱⁱ The child care industry needs immediate federal funding to safely reopen and operate.

Stabilizing the child care industry is critical for working families and providers, and is a matter of racial, gender, and economic justice.

Women have taken on caregiving responsibilities in greater numbers than men^{iv} during the coronavirus pandemic and, if they can't find child care, women may be forced to leave their job entirely as workplaces reopen. Women also comprise over 90 percent of childcare providers,^v nearly half of whom are women of color.^{vi} Ensuring child care workers' jobs are secure, centers can reopen safely, and parents can return to work is a matter of gender, racial, and economic justice.

How will the Child Care is Essential Act help families and child care providers during the current crisis?

- **The Act will provide stabilization grants to child care providers** that are currently open or temporarily closed due to COVID-19 to cover expenses and the additional cost of providing care due to the pandemic. The Child Care and Development Block Grant (CCDBG) lead agency of each state, tribe or territory will administer grants which will be available to any licensed, regulated, or registered child care provider, even if the provider

has not previously received funding through CCDBG. This is the most efficient and expeditious way to get funds to child care providers since the CCDGB system is already in place.

- **The Act will provide relief to families most in need.** The grants that qualifying child care providers will receive from the Child Care Is Essential Act will be applied toward copayments and tuition payments for participating families and providers will prioritize families that need assistance in making either type of payment.
- **The Act will keep child care providers open** by granting them access to funds to cover expenses like payroll, premium pay, and benefits for employees; sanitization, personal protective equipment, and other modifications necessary to provide safe child care as a result of the pandemic; employee training and development focused on health and safety practices; fixed costs; and mental health supports for both children and employees. Grants will be awarded fairly to qualified child care providers of all settings and sizes, regardless if they are open or closed. All providers must continue to employ their staff.

ⁱ *Nationwide Survey: Child Care in the Time of Coronavirus*, BIPARTISAN POL’Y CTR. (April 10, 2020) <https://bipartisanpolicy.org/blog/nationwide-survey-child-care-in-the-time-of-coronavirus/>.

ⁱⁱ Steven Jessen-Howard & Simon Workman, *Coronavirus Pandemic Could Lead to Permanent Loss of Nearly 4.5 Million Child Care Slots*, CTR. FOR AM. PROGRESS (April 24, 2020, 5:00 AM) <https://www.americanprogress.org/issues/early-childhood/news/2020/04/24/483817/coronavirus-pandemic-lead-permanent-loss-nearly-4-5-million-child-care-slots/>.

ⁱⁱⁱ *Id.*

^{iv} Diana Boesch & Katie Hamm, *Valuing Women’s Caregiving During and After the Coronavirus Crisis*, CTR. FOR AM. PROGRESS (June 3, 2020, 3:15 PM) <https://www.americanprogress.org/issues/women/reports/2020/06/03/485855/valuing-womens-caregiving-coronavirus-crisis/>.

^v Amanda Becker, *The Pandemic Upended Child Care. It Could be Devastating for Women.*, WASH. POST (May 20, 2020, 8:00 AM) <https://www.washingtonpost.com/politics/2020/05/20/pandemic-upended-child-care-it-could-be-devastating-working-women/>.

^{vi} Heidi Hartmann et al., *The Shifting Supply and Demand of Care Work: The Growing Role of People of Color and Immigrants*, INST. FOR WOMEN’S POL’Y RSCH 7 tbl.1.2 (2018) https://iwpr.org/wp-content/uploads/2018/06/C470_Shifting-Supply-of-Care-Work-Immigrants-and-POC.pdf.