## Congress of the United States Washington, DC 20515

May X, 2020

The Honorable Nancy Pelosi Speaker U.S. House of Representatives Washington, DC 20515

The Honorable Kevin McCarthy Minority Leader U.S. House of Representatives Washington, D.C. 20515

Dear Speaker Pelosi and Leader McCarthy,

We write today urging a robust investment in our nation's child care system. Child care is critical to supporting essential workers today and to our economic future. The nation's early education and child care sector has been particularly hard hit by the COVID-19 pandemic and is in dire need of emergency relief funds. In addition, we must take the opportunity to create a stronger, more affordable and accessible child care industry by making a long-term investment in our nation's caregivers, facilities, and families.

## \$50 Billion is Necessary for Immediate, Short-Term Relief

The child care industry is facing a crisis due to COVID-19. According to the Bipartisan Policy Center, 60 percent of licensed providers have already closed due to the pandemic and a survey from the National Association for the Education of Young Children shows that only 11% of our nation's child care providers will survive without government support. Even as some states contemplate reopening, the fate of an already underresourced child care industry remains unclear as providers navigate new staff-to-child ratios, unexpected costs due to sanitation and social distancing, and the prospect that parents will not be able to afford care or fear the public health risks of using child care.

The Center for American Progress estimates that without significant relief, a crippling proportion of our nation's child care capacity will disappear.<sup>2</sup> Our country cannot have a sustained economic recovery without a foundation of affordable, quality, and accessible child care. Therefore, we request that any upcoming stimulus include at least \$50 billion in immediate, short-term relief funding.

According to a recent economic analysis, the child care and early learning industry requires at least \$9.6 billion each month to sustain the viability of our providers.<sup>3</sup> This amount covers the \$3.9 billion required to keep providers who have been forced to close due to COVID-19

https://bipartisanpolicy.org/blog/nationwide-survey-child-care-in-the-time-of-coronavirus/?mkt\_tok=eyJpIjoiTTJKaU1ERmxOV1ZsTldZdyIsInQiOiJrXC81dkNFXC96b2hHYUg3Smt3MGI1R2 lkaXZ1SmVGVEh2NFpoOHIyQnJxZXI2cklcLzlqaGRvU1lmNEhWeXQ5djhIS0xaR3BKU2JLMFpUMWJsZk9weHZSNlhhaFBkZUlaSWNYV0EyaTE4S2c0QTBrUGIYeDlWNXdpNVwvN2Y2YW0xOTQifQ%3D%3D; https://www.naeyc.org/sites/default/files/globally-shared/downloads/PDFs/our-work/public-policy-advocacy/effects\_of\_coronavirus\_on\_child\_care.final.pdf

<sup>&</sup>lt;sup>2</sup> https://www.americanprogress.org/issues/early-childhood/news/2020/04/24/483817/coronavirus-pandemic-lead-permanent-loss-nearly-4-5-million-child-care-slots/

<sup>&</sup>lt;sup>3</sup> https://www.clasp.org/sites/default/files/publications/2020/04/CCKeytoEconomicRecovery.pdf

operational. Another \$6.3 billion is required each month to support emergency care for the 6 million children of essential workers.

The \$50 billion should be provided in the form of short-term stabilization funding, and we must ensure these funds are flexible to account for increasing, and potentially unforeseeable, expenses due to the pandemic. While the funds must continue to support essential frontline workers, it should also prioritize keeping providers operational for the duration of this crisis, especially those serving our most vulnerable children and communities. If we fail to provide this \$50 billion in short-term stabilization funding, we are at high risk of returning from this crisis only to find that families do not have the child care they need to go back to work.

## A Minimum of \$50 Billion is Needed in Longer-Term Investments

Even before the pandemic, this country faced a child care crisis. That is why any upcoming stimulus package should begin to redress our lack of investment in child care infrastructure and affordability by providing an additional \$50 billion in long-term recovery funding. However, this number is only a starting point. It is imperative that we make other structural changes such as increased payments to providers, expanded eligibility under CCDBG, and wage increases for our nation's educators. At bare minimum, upcoming recovery legislation should include:

**Support for Families:** Provisions that will help families afford child care after the pandemic include requiring employers to extend the grace period for Dependent Care Assistance Plans; enhancing and making the Child and Dependent Care Tax Credit refundable (an estimated cost of \$11 billion over five years); authorizing and providing five years of increased mandatory funding through the Child Care Entitlement to States at a funding level of \$7 billion annually while also temporally waiving the state match for any increased funds above \$2.9 billion; and reauthorizing the Child Care Access Means Parents in School (CCAMPIS) program at \$200 million annually.

Investment in Providers and Early Childhood Educators: Competitive infrastructure grants should be provided to support both the renovation and new construction of child care facilities with priority given to those areas of the country that have been hardest hit by the pandemic. The National Children's Facilities Network estimates that at least \$12 billion is required to rebuild our child care industry. In addition to prioritizing facilities, Congress should invest in the higher education of our nation's early childhood educators by ensuring sustained, increased wages and offering \$20 million per year for a student loan repayment program.

**Bolster Head Start:** Investments in Head Start should include \$3.8 billion for the renovation, maintenance, and repair of Head Start Centers, \$2.3 billion for in-home early learning school readiness programs to provide technology, hardware, software, and internet, and \$989 million to support the cost of an additional hour of mental health consultation for each child.

As we look forward, the next COVID-19 related package must include \$50 billion in short-term relief to ensure that there is a child care system after this pandemic is over. However, for a robust

economic recovery we cannot just maintain the status quo, where providers operate on the thinnest of margins and families struggle to find and afford quality care. We must begin to make a comprehensive investment in our early education and care system to ensure the economic and educational future of our country.

Thank you for your consideration, and we look forward to working with you to provide for the immediate needs of our nation's child care providers and for a significant investment in the future of early education and child care programs.

Sincerely,

Katherine Clark

Member of Congress

Katheiine M. Clark

Jimmy Panetta

Member of Congress

Dannyd. Rais

Danny K. Davis Member of Congress

David N. Cicilline Member of Congress

Cindy Axne Member of Congress

C.A. Dutch Ruppersberger Member of Congress

Eleanor Holmes Norton Member of Congress

Gilbert R. Cisneros, Jr. Member of Congress

Barbara Lee Member of Congress

Jamie Raskin Member of Congress Jakana Hayes

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Member of Congress

Suzanne Bonamici Member of Congress

Tom Malinowski Member of Congress

Joaquin Castro Member of Congress

Raul Grijalva Member of Congress

James P. McGovern Member of Congress

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Dwight Evans Member of Congress

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Frank Pallone, Jr. Member of Congress

Norma J. Torres Member of Congress

Ayanna Pressley Member of Congress

Peter Welch Member of Congress

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Ted Deutch Member of Congress

Susan Wild Member of Congress

Sheila Jackson Lee Member of Congress

Harley Rouda Member of Congress

Lois Frankel Member of Congress

Adam B. Schiff Member of Congress Alan Lowenthal Member of Congress

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Julia Brownley Member of Congress

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John Yarmuth Member of Congress

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Michael F.Q. San Nicolas Member of Congress