

June 23, 2020

MEMO TO: Traci N. T. Fujita, Director
Office of Council Services

F R O M: Shelly Espeleta, Legislative Analyst *ske*

SUBJECT: **WEBINAR: “CHILD CARE AND COVID-19: FEDERAL RESOURCES AND BEST PRACTICES FOR COUNTY GOVERNMENTS”** (PAF 20-160)

On June 17, 2020, I participated in a webinar entitled “Child Care and COVID-19: Federal Resources and Best Practices for County Governments” hosted by National Association of Counties (NACo). The purpose of the webinar was to explore the different ways counties and organizations are helping to maintain the current supply of child care, as well as helping to sustain child care businesses upon reopening during this critical time. The webinar also touched on Federal resources that support state and local efforts for child care, including what counties can do to maximize services to ensure safe and healthy learning environments for young children, while supporting working families.

The webinar was led by the Honorable Deborah Lieberman, NACo Human Services and Education Policy Steering Committee Chair and Commissioner, Montgomery County, Ohio, and featured the following presenters: Paula Daneri, Early Childhood Policy Professional Staff Member, United States House Committee on Education and Labor, Washington, D.C.; Crystal Kelly, Director of Strategic Initiatives, Children’s Council of Watauga County, North Carolina; and Kara Waddell, President and Chief Executive Officer, Child Care Associates, Tarrant County, Texas.

Paula Daneri, U.S. House Committee on Education and Labor

Ms. Daneri said child care was one of the main priorities in the Coronavirus Aid, Relief, and Economic Security (CARES) Act, enacted at the end of March 2020. Included within the CARES Act was \$3.5 billion in supplemental funding for Child Care Development Block Grants (CCDBG).

There were three main goals for the use of CCDBG funding:

- ensuring child care providers received continued payments to keep facilities open despite temporary closures and decreased enrollment;
- covering new expenses related to cleaning supplies and personal protective equipment (PPE); and
- ensuring essential workers had access to child care.

To achieve these goals, flexibility in funding was needed to address any unique circumstances. Examples of waivers included:

- lowering the income requirements for state essential workers;
- suspending fiscal requirements that a significant portion of funds be used for lower-income individuals; and
- lowering the requirement that 70 percent of funds be used for direct services.

The ability to obtain data on child care facilities increased dramatically in the past three months. Currently, more facilities are able to be surveyed, which helps to assess child care need and availability. The data show there is still very low enrollment in child care facilities; however, child care will remain a critical need as more individuals start to return to work.

CARES Act funding is anticipated to run out at the end of June because of the high demand for support. As such, two additional proposals are being made:

- Health and Economic Recovery Omnibus Emergency Solutions Act (HEROES Act), modeling the guidelines included in the CARES Act, and would add an additional \$7 billion in funding for CCDBG providers; and
- Child Care is Essential Act, would provide \$50 billion in funding to help stabilize the child care sector. This funding would be equitably distributed via grants to eligible CCDBG providers, and is expected to help cover five to six months of operating expenses, including payroll.

Ms. Daneri added that these two proposals are high priorities and many House leaders are supportive of them.

Crystal Kelly, Strategic Initiatives, Children's Council of Watauga County

According to Ms. Kelly, Watauga County, a rural county of roughly 53,000 people, including 800 children under the age of five, was already struggling with adequate child care prior to COVID-19.

As a result of the pandemic and State guidelines for public school closures and stay-at-home orders, the County worked with local hospitals to establish pop-up child care centers for essential hospital workers. They conducted a landscape study to determine which child care centers were remaining open and became a liaison between child care centers and State and local resources.

While the State deemed child care an essential service, child care centers that sought to remain open were required to submit an application and meet enhanced requirements for health and safety. Two-thirds of child care facilities applied. A State hotline was created to connect families with child care programs that met these guidelines. Overall, enrollment did decrease, but remained available for essential workers that needed it.

The State received \$114 million through the CARES Act for CCDBG providers. The WAGE\$ salary supplement program ensured the continued payment of salaries for child care workers regardless of whether the child care facility was open or closed. Teacher bonuses were provided for the months of April and May. The bonus amount differed among teaching and non-teaching staff. Continued subsidy payments were available to cover parent fees for families who were eligible to receive subsidies.

A separate grant that covered fixed operating costs for child care facilities was made available for April and May. Facilities were not required to apply. The grant amount varied from \$500 per month to \$30,000 per month per facility depending on the enrollment size, star rating, and the number of children served who received subsidies.

Despite these resources, there were some child care facilities that decided to remain closed due to ongoing safety, health, and cost concerns.

Moving forward, the County is working hard to establish child care as an essential part of a healthy economy, which has been highlighted due to COVID-19. There must be increased support and resources to meet new health and safety requirements. There must also be public investments made to help sustain the early childhood system through this pandemic and beyond.

Kara Waddell, Child Care Associates

Ms. Waddell said child care was determined to be a critical need from the start. The State of Texas created a Frontline Child Care Task Force to help with identifying needs for child care and also established child care guidelines.

The Task Force worked to obtain much-needed data to help essential workers locate available child care facilities. Former classroom coaches made regular calls to child care providers to identify available slots and submitted real-time updates using a web-based data tool <https://find.bestplace4kids.com/families>. This service has expanded to all families in need of child care and is a tool that will continue to be used long-term.

The Task Force also assisted with child care licensing and subsidies and coordinated with big-box stores and grocery stores to help child care facilities who were in need of essential food products, such as milk. Subsidies covered all parent co-payments and other expenses to help facilities remain open.

The County received CCDBG funds through the CARES Act in the amount of \$210 million. The funds were used to distribute PPE for child care providers and coordinate care packages distributed through the assistance of local groups and churches that included gloves, hand sanitizers, and digital thermometers.

Looking ahead, city and county funding is needed to support the child care sector. Partnering with resources such as the Small Business Development Center and U.S. Small Business Administration will be key. Pairing up with mentors to help maintain a supply of quality child care providers is a must.

To summarize, the need for child care was yet another critical component that was not to be overlooked during this pandemic. Counties, states, and local organizations needed to ramp up quickly to meet the demand for child care for essential workers. The demand for child care will continue to increase as more individuals return to work. Child care facilities will also need to deal with increased safety and health guidelines and cost impacts in this new “normal.”

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Thank you for allowing me to participate. Should you have any questions, please let me know.

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cc: Supervising Legislative Attorney