# Child Care Relief Funding

# Addressing Questions and Challenges

by Lynette M. Fraga and Diane Girouard

The passage of temporary federal relief by Congress presents an opportunity for states and local governments to make smart investments that will lay the foundation for a stronger child care system nationwide. Child care advocates have a big role to play in helping policymakers determine what policies will build a better system moving forward in an equitable, efficient, and transparent way. To accomplish this, child care advocates will need to continuously meet with policymakers to amplify stories, share concerns and challenges, and present data on the landscape of child care, both now and before the pandemic.

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Many policymakers understand that access to high-quality child care and early learning supports childhood development, helps families stay in the workforce, and keeps our economy going. This means that some policymakers and state administrators are ready to have conversations with you about how to use federal relief funds, and will be receptive to your feedback on policies that will create the foundation for a stable, accessible, and affordable child care system.

However, you may hear hesitation or questions about using funds to build long-term capacity and sustainability for child care. Policymakers may express concern that these "one-time" relief funds, like in the American Rescue Plan Act, are challenging to sustain. In these cases, it is important that you are prepared to answer any question they may have and to offer counterpoints to any concerns raised.

## Responding to Concerns

During your conversations, focus on the widespread support for child care and ways to build bipartisan support. We all have a role to play to successfully implement child care funding. It is important to focus on positive messaging, and adapt it based on your audience's mindset. Try to redirect any negative framing. Explain that investing in long-term strategies emphasizes the value of high-quality child care and helps rebuild the economy. Most importantly, use local data and stories to paint a clear picture and make a personalized connection with your policymaker (and/or their staff) and the community they represent. Below, you will find examples of common concerns along with sample messages to use, in order to provide an explanation of why funds should be used to support long-term policy shifts.

### **Resources from Child Care Aware of America**

**Video:** Why Does Child Care Cost So Much Yet Providers Make So Little? youtu.be/krejcn2ivYU American Rescue Plan (ARP) Act Hub childcareaware.org/ our-issues/public-policy/ american-rescue-plan-arp-act/

#### CONCERN:

"Child care relief funds should focus on short-term solutions. If we focus on long-term solutions, we could create a fiscal cliff."

#### HOW TO RESPOND:

- The needs of the child care community are great and have only grown through this pandemic. We cannot return to the same broken system of child care that existed before the pandemic.
- Long before COVID-19, the U.S. child care system was in trouble. Families struggled to access affordable, high-quality care. Providers were not paid enough and faced dire financial situations due to the high cost of providing care before the pandemic even hit. The supply of licensed child care was already sparse. Faced with COVID-19, the already fragile child care system shattered.
- We have never received funding like this before. The newly passed federal relief marks our nation's greatest investment in child care. We finally have significant resources to make changes that will have lasting effects for years to come. We have not been able to make these changes with this amount of funding before, even though it was desperately needed.
- There is widespread support among voters. The pandemic amplified how important child care is to the success of our economy. Polls continue to show overwhelming support for child care, and there is strong interest in support of all relief efforts to date.
- Child care has bipartisan support among policymakers. There continues to be interest at the

- federal level about investing in child care in future legislative packages. Policymakers (at all levels and from all parties) realize how important child care is for child development, getting families back into the workforce and rebuilding the economy.
- Recent infusions of federal funding have allowed states to sustain their existing child care system and make temporary improvements. However, these temporary fixes leave the future of child care unpredictable for providers and families. This is just the start of what is needed to recover and rebuild. Providing enough federal funding on a permanent basis will lead to significant long-term improvements.
- Building a system that equitably meets the needs of children, families, and providers requires historic investment, and not only in 2021.
  We can prevent fiscal cliffs by making sufficient federal funding the norm. But to get there, we must be strategic in the policies that we put in place now.
- No child care, no recovery. The recovery of our country depends on the stabilization and growth of the child care industry. If we do not invest in child care, the long-term economic impact on businesses and our economy will be severe.

#### **CONCERN:**

"I do not want to put state money behind these policies, because there is already an influx of federal funds."

#### HOW TO RESPOND:

 The American Rescue Plan Act requires that subgrants be used to supplement—not replace—federal, state, and local public funds. This requirement also applies to territorial and tribal grantees. • In addition to the federal funds, we need to make smart use of our state dollars and put them behind services and programs our families value and depend on. Our state must prioritize child care and early learning, or we will fall behind other states who invested state dollars into programming for their youngest children.

#### **CONCERN:**

"I am concerned with how child care providers will use federal relief money. Do child care programs really still need more funding?"

#### **HOW TO RESPOND:**

- The supply of child care was decreasing even before COVID-19 resulted in the closures of thousands of child care programs. The last year has shown us why we need to provide funding for child care. That is why each relief package to date has included child care.
- A July 2021 survey from the National Association for the Education of Young Children found that 46 percent of respondents in child care centers and family child care homes say their program likely would have closed without help, including the Paycheck Protection Program and child care relief funds. We need additional funding to help providers keep their doors open while attendance is down.
- Many providers struggle to stay in business without increased attendance and financial support. The number of child care providers who have closed their doors permanently is alarming. The same NAEYC survey found that four out of every five child care centers said they had a staffing shortage, and 78 percent of respondents identified low wages as the main obstacle to recruitment

of educators. More than one in every three respondents said they were considering leaving or shutting down their child care programs this year, and over half of minority-owned programs are reckoning with the

possibility of permanent closure.

- In CCAoA's 2021 annual survey, 15 states indicated that they were tracking the number of permanent child care closures. On average, these states reported that 3 percent of centers and 4 percent of family child care providers were closed. We expect that the number of permanent closures will increase as more states and CCR&Rs update their licensing and referral information.
- The average cost of child care is out of reach for many families. Child care costs rival college tuition. And yet, early educators are among the lowest-paid workers in the country. Early childhood education is labor-intensive and requires low child-to-educator ratios to ensure quality interactions. The remaining money does not even cover adequate salaries, let alone benefits. For more information on how child care funding works, watch and share a video created by CCAoA and the Center for the Study of Child Care Employment at UC Berkeley (youtu.be/krejcn2ivYU).
- It is time we recognize that early childhood educators are doing the difficult and important work of caring for our youngest children—without earning a living wage. Almost half of early childhood educators rely on public services to make ends meet, and this was true even before the pandemic. They deserve fair compensation, to be treated as professionals and to be supported in their own careers.

"Current health and safety regulations will prevent the supply of child care from growing post-pandemic."

#### **HOW TO RESPOND:**

- Parents want the very best for their children. That means they need to find a safe setting they can trust to deliver high-quality child care.
- State policymakers need to maintain the health and well-being of child care providers and children.
- There is a misperception that rolling back regulations will increase the supply of quality, affordable child care. There is little evidence suggesting these regulations are the cause of the decline of providers (see link to blog post in Resources).
- Deregulation of health and safety standards, especially after a global pandemic, would be potentially harmful to children.
- Our focus should be on supporting and investing in the child care workforce and expanding access of safe care for children.

Educating policymakers by providing information, data and stories can be extremely helpful in making the case for long-term investment in building a sustainable child care system that works for all children, families and providers.