

The Child Care Is Essential Act

Child care providers are at the forefront of the nation's response to the COVID-19 pandemic yet have been among the hardest hit sectors. [About half of providers have stayed open](#) throughout this crisis to serve children of essential workers so that those workers can serve their communities. However, with reduced enrollment and steep drops in revenue, child care providers struggle to remain viable and to implement additional health and safety precautions necessary to protect children and workers. At the same time, about half of child care providers have been forced to close due to COVID-19 and many have stopped collecting revenue and face the possibility of permanent closure. [According to analysis from the Center for American Progress](#), the COVID-19 pandemic could lead to a permanent loss of nearly 4.5 million child care slots, leaving millions of families without the child care they need to return to work.

As communities across the country move toward reopening and parents go back to work, it is more important than ever to ensure child care providers are supported to open their doors and continue serving their communities. Providers will need additional support to purchase necessary supplies, reduce group sizes and adjust staffing to lower the risk of infection, and modify classroom space and materials. Initial cost estimates suggest that modifications necessary to respond to COVID-19 may increase providers' costs by [as much as 30 percent](#).

The **Child Care Is Essential Act** would create a \$50 billion Child Care Stabilization Fund to provide grant funding to child care providers to stabilize the child care sector and support providers to safely reopen and operate. Administered through the existing Child Care and Development Block Grant (CCDBG) lead agency of each state, tribe or territory, grants would be available to licensed, regulated, or registered child care providers that are currently open or temporarily closed due to COVID-19, regardless of whether they had previously received funding through CCDBG. Grant awards would be determined by providers' pre-COVID-19 operating costs and adjusted to reflect the additional cost of providing care due to the pandemic. Grants would be equitably distributed to eligible child care centers, home based child care providers, and family child care homes.

Providers could use stabilization grants for:

- Personnel costs, including premium pay, employee benefits, and employee salaries.
- Sanitization and cleaning, personal protective equipment, and other necessary equipment.
- Training and professional development related to health and safety practices.
- Fixed costs, including mortgage obligations, rent, utilities, and insurance.
- Mental health supports for children and employees.
- Modifications to child care services as a result of the COVID-19 pandemic.
- Other goods and services necessary to maintain or resume operation of the child care program, or to maintain the viability of the child care provider.

All providers would be required to continue to employ and pay their staff at the same compensation level as pre-COVID-19, and to provide families with relief from copayments and tuition as a condition of receiving grant funds. Open providers would be required to meet health and safety guidance from the Center for Disease Control and Prevention and state and local authorities, and closed providers would have to provide an assurance that they will reopen their program when they are able to implement such guidance.