

February 2, 2021

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

The Honorable Kevin McCarthy
U.S. House of Representatives
Washington, DC 20515

The Honorable Chuck Schumer
U.S. Senate
Washington, DC 20510

The Honorable Mitch McConnell
U.S. Senate
Washington, DC 20510

Dear Speaker Pelosi, Minority Leader McCarthy, Majority Leader Schumer, and
Minority Leader McConnell,

The pandemic has had devastating effects on the child care sector, but has also brought to light the truly essential nature of child care in this country. With this in mind, Congress must continue to focus on child care, both through COVID relief, and as we move forward into recovery and rebuilding our nation's economy. Much work is required to address the acute issues facing the child care industry and how our nation supports working families. To put our nation on a path towards tackling the challenges facing the larger child care system, we must direct our immediate focus on current and urgent needs hindering our economic recovery. To this end, COVID relief and recovery must be anchored on two tenets -- support to providers and support to families.

Our shared goals, since the onset of the COVID-19 pandemic, have been for Congress to:

- First, ensure child care providers have access to federal funding, including but not limited to direct grants, that will allow them to pay staff, cover fixed costs, and remain open as families return to work over an extended period of time. The child care industry is unique, and while child care providers vary widely in their structures and funding, providers of all sizes, in all settings, and in every community have been negatively affected by this pandemic and need support. It is essential that Congress invest in stabilization measures specific to the needs of our nation's child care industry that are flexible and accessible to the broad range of child care providers.
- Second, guarantee child care providers who have struggled to stay afloat while serving fewer children and families during this crisis have the supports needed to provide safe, high-quality early care and education (including financial support to compensate for

revenue loss, protective equipment, sanitation supplies, and premium pay) for the children attending their programs – particularly children of first responders, health care workers, and other essential personnel.

- Third, build safeguards that account for the ongoing challenges that stem from a climate of uncertainty and instability in the child care market, as well as the economy at large, and the future COVID-19 infection trajectory.

Over the course of the past ten months, relief needs have compounded as have the difficult realities facing families. The support delivered by Congress in December will supply some much needed short-term assistance to families and providers for approximately the next three months, but we know the dire effects of the pandemic will be felt for months to come, and therefore, the recent relief funding won't meet the full and immediate needs facing our child care industry. As the Chamber of Commerce recently stated, “[w]ithout this industry’s survival and ability to safely care for the children of working parents, every other American industry will struggle to return to work.” The recovery of our country depends on the stabilization of the child care industry. As Congress tackles future relief and recovery packages, child care must remain a central tenet.

We ask that Congress make additional investments to address the priorities above, with particular focus on building safeguards to account for the ongoing challenges facing our nation’s child care industry. We know facing the present and ongoing challenges requires a focus on ensuring there is ample child care supply and capacity. Additionally, we must ensure there are options available for parents when the economy reopens and support for families struggling to afford quality care. These priorities can be addressed by:

- **Building Capacity**

During the pandemic, the child care sector has lost one in six workers. In February 2020, the Bureau of Labor Statistics reported 1.04 million people were employed in the child care sector, but by April, employment had dropped dramatically to 668,000. As stay-at-home orders lifted and CARES dollars began to arrive in states, child care sector employment slowly began to recover, however, preliminary data indicates that by December 2020, that number was still only 867,200. The child care system has long suffered from significant inequities; the pandemic’s devastating impact has shone a spotlight on these disparities. Virtually all child care workers are women, disproportionately women of color and immigrant women, who do not have adequate wages or benefits. Forty-five percent of child care workers are Black, Asian, or Latino, and half of child care businesses are minority-owned according to Labor Department data. We must equitably build back the child care

workforce and, in doing so, ensure sufficient resources are available to support, compensate, and retain these hard-working professionals.

- **Building Supply**

Even before the pandemic, the supply of licensed child care was sparse and inadequate to meet the need. The pandemic has only served to worsen the supply and demand challenge. In an August survey from the Bipartisan Policy Center, 44% of parents reported that the lack of child care resources was a barrier to their remote or in-person work. And according to a U.S. Chamber of Commerce Foundation survey, approximately one in five working parents are unsure if they will be able to return to their pre-pandemic work situation. Therefore, just as we must focus on sustaining those programs that are currently struggling to stay open, we must also direct attention towards growing supply and ensuring sufficient quality options are available to parents and communities when the economy reopens in earnest. This supply building must take parental choice into account by building affordable, quality supply across all settings.

- **Direct Support to Families**

As we enter the 11th month of the pandemic, the economic toll on families is astounding. Even before the pandemic, affordable quality child care was out of reach for many families. Not only do families need relief now, but they also need to know there is assistance available in supporting the choices they make for their children as the nation recovers. Compounding these concerns is the reality that more than 800,000 mothers have left the workforce due to child care and school closures, impacting family economic security, lifetime earnings for women, and the economy as a whole. In July, a Washington Post article—titled, “Coronavirus child-care crisis will set women back a generation”—pointed out that “[o]ne out of four women who reported becoming unemployed during the pandemic said it was because of a lack of child care—twice the rate among men.” In August, CNN ran the headline: “Working mothers are quitting to take care of their kids, and the US job market may never be the same.” While a shortage of data makes the exact extent of the crisis hard to articulate, we know, simply based on history, that mothers will continue to shoulder the majority of family caregiving responsibilities. Moreover, mothers of color will be the most affected as they disproportionately work in many of the jobs considered “essential” as frontline workers or providing care and critical services. This will have a significant negative effect on women’s employment and labor force participation, in turn having a negative effect on current and future earnings, retirement security, and gender equity in the workplace and homes.

The COVID-19 crisis has exacerbated many of the problems already facing the child care industry. Families have long struggled to access affordable high-quality options, and providers have faced low compensation, slim margins, and precarious financial situations. However, the pandemic has also highlighted the critical role child care plays in ensuring the success of our economy. In order to help American families, stimulate future consumer spending, support small businesses, and sustain industries, lawmakers must recognize the through line in all of this is child care. If we do not invest in child care now, the economic recovery will be slowed as parents are unable to return to work, and the long-term economic impact on businesses and our economy will be similarly severe. The needs of the child care community are great and have only grown through this pandemic. We must tackle these immediate needs in order to examine and address the broader issues facing the care and education of our children and in order to establish a cohesive system of care to support the working families of this country - a system that can be relied upon when so many other things are uncertain.

Sincerely,

Bank Street College of Education

Bipartisan Policy Center (BPC)

Center for Law and Social Policy (CLASP)

Child Care Aware of America (CCAoA)

Committee for Economic Development (CED)

Council for a Strong America

Early Care and Education Consortium (ECEC)

Educare Learning Network

First Five Years Fund (FFYF)

First Focus on Children

Home Grown

Jumpstart

KinderCare Education

National Association for the Education of Young Children (NAEYC)

National Women's Law Center (NWLC)

Save the Children Action Network (SCAN)

Start Early

ZERO TO THREE