

Congress of the United States  
Washington, DC 20515

May 13, 2020

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

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

Dear Speaker Pelosi and Leader McCarthy:

We write with concerns about the treatment of the child care sector in the HEROES Act. As we put forward our priorities, we cannot overlook the more than 11 million working families that depend on child care to do their jobs and earn a livelihood. We urge you to include additional investments for the child care sector by establishing a child care stabilization fund in addition to an increase to the \$7 billion appropriated for the Child Care Development Block Grant.

The child care sector employs 1.5 million workers, including families from low-income backgrounds, and has an economic impact of \$99 billion.<sup>1</sup> For more than eight weeks, families have struggled to balance work and child care in compliance with stay-at-home orders, recognizing the importance of beating COVID-19, with the understanding that this balancing act would be temporary. But without Congressional support, millions of families may not have high-quality child care options available as they return to work. Our nation's long-term well-being and economic recovery depends on a child care infrastructure that works for every family.

While the measures taken in the CARES Act were critical to ensuring essential and front-line workers have access to child care, closure rates for the rest of the industry have continued to climb past 50%. According to the Bipartisan Policy Center, 60% 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.<sup>2</sup>

Unfortunately, many of the mid- and large-scale child care providers were excluded from relief funds in the CARES Act due to eligibility requirements, including in the Paycheck Protection Program (PPP) and Title IV funds. These providers offer thousands of child care programs across the nation in all 50 states, including 8,000 off-base sites for military families, and feed over 55 million meals each year to children—for some children this is their only meal.

While we appreciate the investment of \$7 billion in Child Care and Development Block Grants (CCDBG), this simply is not enough to stabilize the entire sector that supports \$99 billion in

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<sup>1</sup> See The Committee for Economic Development's Child Care in [State Economies Report](#) (2019 update).

<sup>2</sup> [https://bipartisanpolicy.org/blog/nationwide-survey-child-care-in-the-time-of-coronavirus/?mkt\\_tok=eyJpIjoiTTJKaU1ERmxOV1ZsTldZdyIsInQiOiJrXC81dkNFXC96b2hHYUg3Smt3MGI1R21kaXZ1SmVGVEh2NFpoOHlyQnJxZXI2cklcLzIqaGRvU1lmNEhWeXQ5djhIS0xaR3BKU2JLMFpUMWJsZk9weHZSNlhhaFBkZUlaSWNYV0EyaTE4S2c0QTBrUGlYeDIWNXdjNVwvN2Y2YW0xOTQifQ%3D%3D](https://bipartisanpolicy.org/blog/nationwide-survey-child-care-in-the-time-of-coronavirus/?mkt_tok=eyJpIjoiTTJKaU1ERmxOV1ZsTldZdyIsInQiOiJrXC81dkNFXC96b2hHYUg3Smt3MGI1R21kaXZ1SmVGVEh2NFpoOHlyQnJxZXI2cklcLzIqaGRvU1lmNEhWeXQ5djhIS0xaR3BKU2JLMFpUMWJsZk9weHZSNlhhaFBkZUlaSWNYV0EyaTE4S2c0QTBrUGlYeDIWNXdjNVwvN2Y2YW0xOTQifQ%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](https://www.naeyc.org/sites/default/files/globally-shared/downloads/PDFs/our-work/public-policy-advocacy/effects_of_coronavirus_on_child_care.final.pdf)

economic activity. There must be greater investments in the child care sector by establishing a child care stabilization fund and further increasing funding for the sector. Failure to rescue our child care sector will hamstring not only working families, but also our nation's economic recovery before it can even begin.

Therefore, we urge you to include a child care stabilization fund in the HEROES Act.

- **Child Care Stabilization Fund.** A temporary, time-limited fund to give licensed providers, including those eligible and ineligible for CCDBG, in good standing access to financial assistance for payroll, rent, and other costs associated with the full reopening and sustainability of this sector.

As states and localities begin discussing how to reopen, one thing is clear: child care providers will need to be up and running as soon as the first phase of the recovery begins. Providers, who already operate on very thin margins, will face significant unexpected costs to prepare their centers for operation and to develop curricula to accommodate children who have been out of educational settings for months. Operational costs will also include costs to rehire or recruit staff and new post-pandemic health and safety practices. In addition, because the economy will reopen in phases, most child care providers will operate at a loss during the early stages of recovery.

These unprecedented times call for unprecedented recovery efforts. We cannot expect our economic recovery to be successful without substantial support for the child care sector. Congress must step in and provide effective financial assistance to this critical function of our economy.

We look forward to working with you to ensure the HEROES Act provides relief for all our recovery heroes, including meeting the immediate needs of our nation's child care providers and working families who depend on them.

Sincerely,



**Haley M. Stevens**  
Member of Congress

**Gerald E. Connolly**  
Member of Congress

**Ruben Gallego**  
Member of Congress

**Norma J. Torres**  
Member of Congress

**Mike Quigley**  
Member of Congress

**Joseph D. Morelle**  
Member of Congress

**Terri A. Sewell**  
Member of Congress

**Katie Porter**  
Member of Congress

**Abby Finkenauer**  
Member of Congress

**Mikie Sherrill**  
Member of Congress

**Tony Cárdenas**  
Member of Congress

**Seth Moulton**  
Member of Congress

**Juan Vargas**  
Member of Congress

**Angie Craig**  
Member of Congress

**Judy Chu**  
Member of Congress

**Joyce Beatty**  
Member of Congress

**Jim Himes**  
Member of Congress

**Jimmy Panetta**  
Member of Congress

**Donald McEachin**  
Member of Congress

**TJ Cox**  
Member of Congress

**Joaquin Castro**  
Member of Congress

**Donald M. Payne**  
Member of Congress

**Josh Gottheimer**  
Member of Congress

**Matt Cartwright**  
Member of Congress

**Jahana Hayes**  
Member of Congress

**Elissa Slotkin**  
Member of Congress