

# Timeline of COVID-19 Relief for the Child Care Industry and Working Families



The COVID-19 economic crisis has had a devastating impact on child care providers, causing widespread layoffs and closures nationwide. Significant declines in enrollment paired with steep increases in operating expenses have created an unsustainable financial situation for an industry that traditionally relies on razor-thin margins. Recognizing the essential role of child care for children, working families, and the economy, Democrats and Republicans in Congress have sought to prioritize funding and other relief opportunities for child care providers as part of ongoing COVID-19 recovery efforts. While Congress has not passed comprehensive economic stimulus legislation since March 2020, leaving families and businesses – including child care providers – without much-needed financial relief, every major federal pandemic recovery package introduced thus far has included dedicated funding for child care.

The following is a high-level overview of the major COVID-19 recovery proposals and the provisions aimed at supporting child care providers, along with Congressional letters and resolutions calling for significant child care relief funding.

*Updated as of February 18, 2021*

## SUPPORTING AMERICA'S CHILD CARE PROVIDERS: COVID-19 ECONOMIC RECOVERY

### CARES Act Provides \$3.5 Billion in Child Care Relief

**March 27, 2020:** The largest enacted relief effort to date, which passed with broad bipartisan support, the [Coronavirus Aid, Relief, and Economic Security \(CARES\) Act](#), included targeted support for the child care industry. The CARES Act provided the Child Care and Development Block Grant (CCDBG) with \$3.5 billion and Head Start programs with \$750 million. [States have leveraged](#) these flexible funds to meet their unique needs. For instance, many states chose to pay providers based on enrollment rather than attendance and ensure providers have the necessary personal protective equipment to safely care for children. Along with the child care-specific funds, the CARES Act also included general relief for small businesses through numerous programs including the new Paycheck Protection Program (PPP), though a reportedly [small number of child care programs received PPP loans](#). As the pandemic persists, states have largely exhausted these resources and providers continue to struggle to remain open or reopen.

### Letters Call for Immediate and Long-term Investments for Child Care Industry

**April 28, 2020:** Senators Elizabeth Warren (D-MA), Tina Smith (D-MN), and 29 of their colleagues wrote to Senate Leadership urging the prioritization of the child care industry in future relief efforts. Specifically, the letter called an additional \$50 billion in funding to stabilize the industry while also providing child care for essential workers and investing in necessary recovery efforts.

MAY

**May 6, 2020:** Representative Katherine Clark (D-MA) and more than 80 of her colleagues wrote to Speaker Nancy Pelosi and Leader Kevin McCarthy calling for \$50 billion for immediate relief for child care providers to stabilize the industry and \$50 billion to ensure adequate long-term recovery funding.

#### **Bipartisan Letter Led by Sens. Ernst, Sinema Calls for Child Care Support**

**May 11, 2020:** A [bipartisan group of 23 Senators](#), led by Senators Joni Ernst (R-IA) and Kyrsten Sinema (D-AZ) penned a letter to Senate Majority Leader Mitch McConnell and Senate Minority Leader Chuck Schumer calling for significant federal support for child care in the upcoming COVID-19 recovery package in Congress.

#### **House-passed HEROES Act Includes \$7 Billion in CCDBG Funding**

**May 15, 2020:** Amid partisan gridlock in Washington, House Democrats passed the [Health and Economic Recovery Omnibus Emergency Solutions \(HEROES\) Act](#). The \$3 trillion economic stimulus package included \$7 billion in emergency funding for states through the Child Care and Development Block Grant (CCDBG) program as well as \$850 million to the Social Services Block Grant to support child and family care for essential workers.

#### **Sens. Ernst, Loeffler Introduce Resolution Calling for \$25 Billion in Child Care Relief**

**May 21, 2020:** Senators Joni Ernst (R-IA) and Kelly Loeffler (R-GA) [introduced a resolution calling for the next COVID-19 relief package](#) to include \$25 billion in assistance for the child care industry.

#### **House Introduces Bill with \$50 Billion in Child Care Relief**

**May 27, 2020:** Representatives Rosa DeLauro (D-CT), Bobby Scott (D-VA), and Nita Lowey (D-NY), along with 32 additional original cosponsors, introduced the [Child Care is Essential Act](#), which creates a \$50 billion child care stabilization fund that would provide relief to child care providers struggling during the pandemic. The bill creates a fund that provides direct grants to help pay for personnel, sanitation, training, and other costs associated with reopening and running a child care facility amid the pandemic.

JUNE

**June 3, 2020:** A [companion bill](#) was introduced in the Senate by Senator Patty Murray (D-WA) and 31 of her colleagues as original cosponsors.

#### **House Works to Expand the Availability of Quality Child Care with the Child Care for Economic Recovery Act**

**June 25, 2020:** Understanding that providers face rising costs related to the pandemic, Representatives Nita Lowey (D-NY) and Richard Neal (D-MA) introduced the [Child Care for Economic Recovery Act](#), which would provide enhanced tax credits and \$10 billion for infrastructure grants to construct, renovate or improve child care facilities, through the Child Care Development Fund. The proposal also included an increase of \$7.1 billion in the mandatory portion of the Child Care Development Fund and \$850 million for the Social Services Block Grant to fund child and family care of essential workers.

JULY

### **Republican Lawmakers Urge Leaders to Include Dedicated Federal Child Care Relief**

**July 14, 2020:** [41 Republican lawmakers](#), led by Representatives Rodney Davis (R-IL) and Tom Emmer (R-MN), sent a letter to Congressional leaders calling for dedicated federal relief for child care providers and businesses to stabilize an industry that has been devastated by the ongoing COVID-19 pandemic.

### **Republicans Prioritize Child Care, Introduce the Back to Work Child Care Grants Act**

**July 21, 2020:** Senators Joni Ernst (R-IA) and Lamar Alexander (R-TN), chairman of the Senate Committee on Health, Education, Labor, and Pensions (HELP), joined by eight Republican Senators, introduced the [Back to Work Child Care Grants Act of 2020](#), which would create a child care stabilization fund to provide critical relief to our nation's child care providers.

### **Bipartisan Group of House Lawmakers Introduce the Back to Work Child Care Grants Act**

**July 27, 2020:** The House's bipartisan companion to the Senate's Back to Work Child Care Grants Act was introduced by Representative Tom Reed (R-NY). The bill would establish a grant program for eligible child care providers to pay for specific fixed-costs and operating expenses for up to nine months.

### **Senate Majority Leader Introduces \$15 Billion in Child Care Relief**

**July 27, 2020:** Highlighting the critical role child care plays in our nation's economic recovery and the unanimous agreement on Capitol Hill that something must be done to support working families and providers, Senate Majority Leader Mitch McConnell [introduced the HEALS Act](#), a \$1 trillion economic relief bill. The legislation, based largely on the Back to Work Child Care Grants Act, included \$15 billion in emergency funding for the child care industry — \$10 billion through a child care stabilization fund to states and \$5 billion through the Child Care and Development Block Grant (CCDBG) program.

### **In Bipartisan Vote, the House Passes Measures with Additional Relief for Child Care**

**July 29, 2020:** In two bipartisan votes, the House of Representatives passed the Child Care is Essential Act and the Child Care for Economic Recovery Act, taking one step closer to providing significant federal relief. Underscoring the importance of stabilizing the child care industry, and demonstrating strong bipartisan support, 18 Republican lawmakers joined Democrats to pass the Child Care is Essential Act and 20 Republicans voted to pass the Child Care for Economic Recovery Act.

AUGUST

### **Rep. Stevens Leads Dozens of House Members in Calling for Child Care Stabilization Fund**

**August 6, 2020:** Representative Haley Stevens (D-MI) and dozens of members [wrote a letter](#) urging Speaker Nancy Pelosi and Minority Leader Kevin McCarthy to prioritize significant funding for a Child Care Stabilization Fund in the next COVID relief package.

### Senate “Skinny” Bill Includes \$15 billion in Emergency Child Care Relief

**September 8, 2020:** Senate Majority Leader Mitch McConnell (R-KY) introduced a [pared-down economic relief package](#), which includes \$15 billion in emergency funding for the child care industry. The inclusion of child care in this “skinny” bill is evidence of the universal recognition of the need to provide stabilization funding for child care among Democrats and Republicans on Capitol Hill.

### Bipartisan Problem Solvers Caucus Calls for \$15 Billion in Child Care Relief

**September 18, 2020:** The bipartisan Congressional Problem Solvers Caucus, comprised of 25 Democrats and 25 Republicans, and led by Representatives Tom Reed (NY-23) and Josh Gottheimer (NJ-5), released its [March to Common Ground: Bipartisan COVID Relief Framework](#), which it bills as a “comprehensive, bipartisan framework to meet the nation’s needs for the next 6-12 months.” Included in this proposal is \$15 billion in emergency funding aimed at stabilizing the child care industry for 6 months.

### In Negotiations, White House Proposes \$25 Billion in Child Care Relief

**September 30, 2020:** As Congressional leaders and White House officials continued to work out differences in their priorities for the next economic recovery package, Treasury Secretary Steven Mnuchin announced President Trump’s support for [\\$25 billion in federal relief for child care providers](#) — considerably higher than the \$15 billion in relief offered by Senate Republicans.

### House Passes \$57 Billion in Relief for Child Care Industry, Working Families

**October 1, 2020:** The U.S. House of Representatives passed an [updated HEROES Act](#), an economic relief package that included \$57 billion in emergency funding for the child care industry — \$50 billion for child care stabilization grants to providers and \$7 billion in emergency funding for the Child Care and Development Block Grant Program (CCDBG). The bill also includes \$1.7 billion for Head Start and Early Head Start.

### Bipartisan Stimulus Package Includes \$10 Billion in Child Care Relief

**December 1, 2020:** A bipartisan, bicameral group of lawmakers announced a \$908 billion pandemic relief package that includes \$10 billion in emergency funding for the child care industry.

### Senate Majority Leader Proposes \$15 Billion in Child Care Relief

**December 1, 2020:** On the same day as a bipartisan, bicameral COVID-19 relief proposal was introduced including \$10 billion in child care relief, Senate Majority Leader Mitch McConnell announced his own stimulus package including \$15 billion for the child care industry.

SEPTEMBER

OCTOBER

DECEMBER

DECEMBER

### **Congress Passes \$10 Billion in Child Care Relief in Year-End COVID-19 Package**

**December 21, 2020:** In bipartisan votes, the U.S. House of Representatives and Senate approved a [year-end pandemic relief bill](#), the first since the early days of the crisis. The legislation, which was signed into law shortly after passage, included \$10 billion in funding to stabilize the child care industry and an additional \$250 million for the Head Start program.

JANUARY

### **President-Elect Joe Biden Puts Child Care at Center of His Economic Recovery Proposal**

**January 14, 2021:** Ahead of the Presidential Inauguration, President-elect Joe Biden released the details of his [COVID-19 relief proposal](#). To address the economic crisis created by the pandemic, Biden proposed \$40 billion in dedicated relief for child care – \$25 billion for a child care stabilization fund and \$15 billion through the Child Care and Development Block Grant (CCDBG) program. The proposal also included temporary expansions of important tax credits, including the Child Tax Credit and the Child and Dependent Care Tax Credit.

FEBRUARY

### **Republicans Include \$20 Billion for Child Care in COVID-19 Relief Proposal**

**February 1, 2021:** A group of 10 Republican senators [released the details](#) of an economic relief package that includes \$20 billion in funding for the child care industry.

### **American Rescue Plan Introduced in the House Includes \$39 Billion in Child Care Relief**

**February 8, 2021:** Democrats in the House of Representatives introduced the [American Rescue Plan](#). This sweeping pandemic relief legislation includes a number of elements designed to support families with young children and the child care providers they rely on, including \$14 billion in emergency funding for the Child Care and Development Block Grant (CCDBG) program and \$24 billion for a child care stabilization fund. In addition, the legislation would provide \$1 billion in funding for Head Start programs, and includes temporary increases to important tax credits many families rely on.

