

## Why We Need \$50 billion in Pandemic Child Care Relief: A State-by-State Estimate

*Update: On May 27, Democratic Senators and Representatives introduced the bicameral Child Care is Essential Act, which would dedicate \$50 billion in relief to the child care industry. The Child Care is Essential Act would use the same general funding mechanism as the CARES Act, which means the state-by-state allocations in this fact sheet are accurate estimates.*

Child care is an essential part of our economy that prepares children for the future and enables parents and caregivers to work, all while employing a large workforce. However, years of disinvestment have created a precarious child care system that is now on the verge of collapse in the face of the coronavirus pandemic. The impact of the pandemic on child care has already been extensive, and the system is struggling to survive. Across the country, many providers have been forced to close their programs or are staying open to provide emergency care for the children of essential workers.<sup>1</sup> The Coronavirus Aid, Relief, and Economic Security Act (CARES) Act, which provided \$3.5 billion of much-needed relief for child care, was far from sufficient to meet the significant need.<sup>2</sup> An infusion of at least \$50 billion in child care is essential in the next coronavirus relief package to ensure programs are able to stay in business, families are provided relief from payments while they aren't able to use care, and essential workers can access the care they need.

Our recent co-authored analysis estimates that the child care industry requires public funds of at least \$9.6 billion each month during the pandemic to sustain the viability of our providers.<sup>3</sup> This amount covers the \$3.9 billion required to allow closed providers to retain their staff at full pay, be prepared to reopen at the appropriate time, and eliminate cost burdens for families whose providers are closed. Another \$6.3 billion is required each month to support open providers so they can offer safe, comprehensive emergency care at no cost to an estimated 6 million children of essential workers.

The federal government should allocate \$50 billion in relief funds for child care in the next coronavirus package. This infusion would cover the cost of over five months of emergency care and relief for the overall child care system to ensure it's maintained to support families of essential workers who need care now and all families who will need care when they return to work. Without support, we run the risk of exacerbating the child care crisis that existed long before the pandemic and will cause parents to be unable to return to work and children to be without critical supports for their health and wellbeing. Finally, it's important to note that women, especially women of color, make up the vast majority of the child care workforce. If we don't support these workers, they risk losing their jobs and incomes—paying the price of the gender and racial injustice that pervades occupations traditionally held by women.

*Methodological note: There are various proposals for how \$50 billion in child care funding could be distributed to the states. Our analysis shows how a \$50 billion allocation would be distributed across states to sustain the child care sector during the COVID-19 crisis if the CCCDBG state allocation formula utilized in the distribution of the CARES Act funds were used to allocate this funding.*

For more questions please contact Stephanie Schmit at [sschmit@clasp.org](mailto:sschmit@clasp.org).

<b>State</b>	<b>Estimated State Allocation with \$50 Billion Increase<sup>4</sup></b>
Alabama	\$931,665,463
Alaska	\$93,052,390
Arizona	\$1,268,278,683
Arkansas	\$594,944,142
California	\$5,003,655,326
Colorado	\$610,871,143
Connecticut	\$330,221,495
Delaware	\$138,116,540
District of Columbia	\$83,072,582
Florida	\$3,109,227,431
Georgia	\$2,075,129,235
Hawaii	\$173,257,341
Idaho	\$298,771,265
Illinois	\$1,697,364,717
Indiana	\$1,117,317,883
Iowa	\$450,700,322
Kansas	\$450,776,860
Kentucky	\$958,710,522
Louisiana	\$962,112,775
Maine	\$157,235,851
Maryland	\$651,096,497
Massachusetts	\$648,651,740
Michigan	\$1,417,173,830
Minnesota	\$682,319,707

State	Estimated State Allocation with \$50 Billion Increase <sup>4</sup>
Mississippi	\$681,568,069
Missouri	\$947,131,171
Montana	\$144,446,212
Nebraska	\$285,785,593
Nevada	\$461,480,488
New Hampshire	\$100,693,089
New Jersey	\$902,224,676
New Mexico	\$428,276,050
New York	\$2,238,299,760
North Carolina	\$1,686,533,357
North Dakota	\$88,381,483
Ohio	\$1,674,698,821
Oklahoma	\$730,848,301
Oregon	\$555,911,610
Pennsylvania	\$1,503,441,812
Rhode Island	\$117,362,706
South Carolina	\$907,831,800
South Dakota	\$128,849,226
Tennessee	\$1,167,617,267
Texas	\$5,372,096,736
Utah	\$574,774,723
Vermont	\$63,545,467
Virginia	\$985,898,085
Washington	\$837,758,819

State	Estimated State Allocation with \$50 Billion Increase <sup>4</sup>
West Virginia	\$326,245,468
Wisconsin	\$733,878,744
Wyoming	\$61,744,129
<b>United States</b>	<b>\$50,000,000,000<sup>5</sup></b>

<sup>1</sup> National Association for the Education of Young Children, From the Front Lines: The Ongoing Effect of the Pandemic on Child Care, 2020, [https://www.naeyc.org/sites/default/files/globally-shared/downloads/PDFs/resources/topics/naeyc\\_coronavirus\\_ongoingeffectsonchildcare.pdf](https://www.naeyc.org/sites/default/files/globally-shared/downloads/PDFs/resources/topics/naeyc_coronavirus_ongoingeffectsonchildcare.pdf).

<sup>2</sup> Stephanie Schmit, \$3.5 Billion for Child Care in Coronavirus Package is not Enough: How States Will Fare, CLASP, 2020, <https://www.clasp.org/publications/fact-sheet/35-billion-child-care-coronavirus-package-not-enough-how-states-will-fare>.

<sup>3</sup> Rebecca Ullrich et al., Child Care is Key to Our Economic Recovery, CLASP, 2020, <https://www.clasp.org/publications/report/brief/child-care-key-our-economic-recovery>.

<sup>4</sup> Estimated allocations based on FY 2019 CCDF Allocations, U.S. Department of Health and Human Services, Administration for Children and Families, 2019, <https://www.acf.hhs.gov/occ/resource/fy-2019-ccdf-allocations-based-on-appropriations>. Actual amounts may differ due to Secretary discretion in set-aside funding.

<sup>5</sup> National total includes funds for tribes and territories as well as technical assistance.