Governor Parson, Senator Hegeman, Representative Smith,

As Missouri continues to grapple with COVID-19 and its vast impacts, we have been closely monitoring how child care, one of our society’s most critical services, is in need of additional support. Without an influx of new and immediate resources, our child care infrastructure is at risk of failure, which would harm Missouri families and put our economy at risk as we work to overcome the COVID-19 pandemic. In mid-March, our national partners at the National Association for the Education of Young Children (NAEYC) conducted a survey of child care providers across the nation. Below is a summary of results from providers in Missouri:

- 23% say they would not survive closing for more than two weeks without significant public investment and support that would allow them to compensate and retain staff, pay rent, and cover other fixed costs.
- 25% would not survive a closure of any length of time without the previously described supports.
- 28% do not know how long they would be able to close their doors and be able to reopen without these supports.
- 42% have parents who cannot pay fees or copays.
- 35% have lost income because they are paid by attendance rather than enrollment and 55% have lost income based on families’ own inability to pay.
- Note that 34% of responses in Missouri are from those working in community-based centers and 55% are from those working in family child care homes.

More than two weeks into the COVID-19 response, Missouri’s child care infrastructure stands at a critical juncture. Child Care Aware® of Missouri is collecting and disseminating information from Missouri providers. As of April 2nd, 60% of licensed child care providers have submitted the following information regarding the status of their facilities during the emergency:

- 1,133 programs remain open (34%)
- 875 programs have closed (26%)
- 1,314 programs haven’t updated their status (40%)

The CARES Act (H.R.748), signed into law by President Trump on March 27th, includes a significant one-time boost in funding to the Child Care Development Block Grant (CCDBG). In Missouri, this program is administered by the Children’s Division within the Department of Social Services and its budget line is 11.385. Missouri is estimated to receive approximately $64 million for the CCDBG program to help address challenges the child care industry is facing due to the COVID-19 pandemic. We have reviewed the CARES act provision and are closely monitoring administrative guidance from the Administration for Children & Families (ACF) as how other states are planning to utilize these funds.
The federal agency is giving states significant flexibility to swiftly respond to support child care providers to ensure child care is available to provide early learning opportunities and support parents as they participate in the workforce both during and after the pandemic. If we don’t respond quickly and effectively, Missouri is at risk of permanently losing child care providers, exacerbating child care supply challenges that affect more than 80% of Missouri children.

Kids Win Missouri convened a group of stakeholders including child care providers, systems leaders, and policy experts, diverse in geography and child care setting, to recommend and prioritize how the new CCDBG funds made available through the CARES Act should be utilized.

We are asking for your support in including budgetary language in the supplemental (14.166) and FY2021 budgets (11.385) to require Children’s Division to prioritize the expenditure of these federal funds in the following manner:

Provided that Children’s Division prioritize the COVID-19 child care assistance funding in the following ways: during each month of the state or national emergency, pay providers an amount equal to the market rate of the provider’s area per child with adjustments provided for children with special needs, providers with disproportionate share of children receiving subsidy, providers who are accredited or working toward accreditation, and providers with nontraditional operating hours; provide grants open to all types of child care providers to close gaps in operating costs due to low enrollment or for additional supplies; provide financial assistance navigation and administrative support for providers to take advantage of business assistance programs; and upgrading system infrastructures to reimburse providers in a more timely manner. For funding of quality initiatives, provided that Children’s Division prioritizes professional development for trauma informed practices, social-emotional learning, and business management practices. A report shall be compiled for the General Assembly and made available to the public accounting for the expenditure of such funds. Such report shall be completed by January 1, 2021 and every subsequent year in which these funds were utilized until all funds are expended.

This legislative language is necessary to ensure Missouri appropriately responds in a manner that meets child care providers where they are today and supports Missouri’s child care workforce when this crisis is over.

Some states are extending eligibility for child care assistance to essential personnel working during the emergency and providing a pay bonus to staff working during the crisis. These ideas have merit and deserve exploration in conjunction with other waiver opportunities allowed by the ACF.

We are grateful for your consideration and support.

Sincerely,

Kids Win Missouri  Child Care Aware® of Missouri  Council of Churches of the Ozarks
Missouri AfterSchool Network  SouthSide Early Childhood Center  The Family Conservancy
United 4 Children