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Federal Child Care Funds Critical to Reopening PA Start Strong PA Campaign Releases Plan to Utilize \$1.2 Billion in Federal American Rescue Funds

HARRISBURG (June 10, 2021) – Start Strong PA hosted a <u>virtual press conference</u> to release recommendations for Pennsylvania's \$1.2 billion in American Rescue Plan (ARP) child care funding. The recommendations were developed with feedback gathered from over 1,000 child care providers and working parents as well as a statewide survey conducted in May 2021.

"We are urging state lawmakers to reach consensus on child care investments that enable parents to get back to work and children to benefit from the high-quality care we know prepares them for school and a lifetime of success," said Cara Ciminillo, executive director of Trying Together. "The child care sector is reeling and needs an immediate infusion of resources to re-open and rebound. Programs need help recruiting and retaining staff so that working families can enroll their children."

The recommendations included 5 "fast track" <u>recommendations</u> that can be passed through budget enactment in the fiscal code before the end of June 2021 when the state budget will be finalized. These five policy recommendations could be achieved expeditiously, providing much needed immediate relief for the child care sector. A sixth recommendation outlines the formation of a five-party workgroup that would convene within 60 days to consider the remaining recommendations listed in the report.

- Provide payments to child care providers serving families receiving subsidy to be used exclusively for recruitment of new staff and retention of existing staff.
- Eliminate copays for families receiving subsidy.
- Advertise the child care subsidy program, focusing on targeted geographic areas, to assist more families in getting back to work.
- Pay subsidized child care providers based on enrollment and not attendance beginning July 1, 2021 through 2024 and retroactively pay subsidized child care providers who have suffered losses due to under-enrollment from September 1, 2020 through June 30, 2021.
- Fund an additional 3,000 high-quality, contracted infant/toddler slots to help more families get back to work.

The child care sector was in crisis before the COVID-19 pandemic, with eligible families unable to access child care subsidy, poverty-level wages for early childhood educators, and razor-thin margins for providers. The child care sector has been pushed to the brink of collapse by the pandemic.

"I currently have four of my seven children in child care. I am a full-time working mom with three jobs, and I need to ensure I have child care so I can support my family," said Stephanie Tabb, a parent in Allegheny County. "My co-pay [for child care] was raised, so now I'm in a situation where I have to pick and choose what bills to pay."

Federal relief over the last year has helped many providers, however between March 2020 and April 2021, 686 Pennsylvania providers have closed permanently and 363 temporarily. Child care providers are still incurring additional pandemic related costs while operating significantly under capacity.

"Every month I lose about \$70,000. The money we used to have for emergencies is gone now. We are living hand to mouth," said Leslie Spina, the executive director of Kinder Academy in Philadelphia. "We are making women strong, children strong and families strong. But I can't sustain this work with the path we are on now."

Start Strong PA's full report, **Start Strong PA Provider and Family Field Forums: Building a Stronger Child Care System Through the American Rescue Plan,** is available online at: http://bit.ly/SSPA-ARP-Full-Report

"The American Rescue Plan funds have the potential to provide both immediate, necessary relief to stabilize child care providers and then strengthen and secure the industry for the long term," said Jen DeBell, executive director, Pennsylvania Association for the Education of Young Children "Now more than ever we understand the critical role child care plays not just for children and families, but for our communities and the economy. It can not be overstated that our economic recovery is not possible without child care."

About Start Strong PA

Start Strong PA is an initiative of Early Learning PA. Through a statewide collaboration of partners, Start Strong PA aims to support healthy child development, working families, and the economy by increasing access to and affordability of high-quality child care programs for young children. Learn more at www.startstrongpa.org.

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