Before the COVID-19 pandemic, approximately 12 million children ages birth to 5 years were participating in some form of child care each week.¹ Since March 2020, the pandemic has largely shut down, reduced, or disrupted the availability of child care across the nation. Restarting the child care industry,² while adhering to recommended guidance about health and safety precautions in the midst of the pandemic, is essential for helping parents get back to work and for preserving the child care workforce. Yet, some families seeking child care and some child care providers have been affected by the pandemic more than others. Addressing the unique needs of these families and providers requires that state and local policymakers and child care administrators develop an approach that is tailored to respond to these needs.

The purpose of this brief is to explore the specific challenges that families and child care providers are facing, especially those who have been disproportionately impacted by COVID-19, and to offer potential strategies that state and local policymakers and administrators can pursue to address families’ and providers’ unique needs. For the purposes of this brief, the families and child care providers disproportionately impacted by COVID-19 include:

- Approximately 10 million children ages birth to 6 years who live in low-income households²; this number may be increasing, given that approximately 56.5 million parents of children under age 18³ have reported a loss in employment income since the start of the pandemic
- The 1.1 million rural families with young children that face significant child care shortages⁴; and among the nation’s 55 million essential workers, those parents of young children who may be in need of child care⁵
- The estimated 40 percent of child care providers (based on a national survey) who have reported that without any support, they will have to permanently close as a result of the pandemic⁶; these closures could result in the loss of an estimated 4.5 million child care slots nationally⁷

Many families have been disproportionately impacted by the pandemic

During the pandemic, an estimated 60 percent of parents of children under the age of 18 have had to juggle the demands of work and child care with no outside help.⁸ However, child care closures have hit some families harder than others. Families particularly impacted face significant challenges related to the high cost of care, a lack of available child care openings in their area, and a lack of available care that accommodates parents’ work schedules and meets the developmental needs of their children.⁹ Many of these families face more than one challenge, compounding the barriers they face in accessing child care and returning to work.

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¹ This includes home- or center-based child care programs, summer camps, afterschool programs, and preschool programs.
High cost of care. A 2019 study of child care costs in the United States before the pandemic demonstrated that for nearly 40 states and the District of Columbia, the cost of child care for two children was more than a family’s annual mortgage payment. Families were already straining financially to afford child care. Though precise numbers are not available, it is probable that a sizeable proportion of the 56.5 million parents of children under age 18 have become unemployed or experienced reduced work schedules or pay cuts due to the pandemic; as a result, these families will be stretched even more to afford child care options while they look for a job.

Lack of available care. Access to available child care is not uniform across the nation. Families in urban areas have access to about three times as many child care centers and child care homes as families in rural areas. At the national level, the demand for care for infants and toddlers outweighs supply at a rate of 5 to 1; however, in rural areas, demand outweighs supply at a rate of 9 to 1. Yet as a result of child care closures due to the pandemic, families in rural areas may find it even more difficult to find care. Rural providers face significant challenges to remain fiscally solvent during pandemic-related closures, and many are predicting they will have to close permanently.

Finding care that meets parents’ needs. Another common challenge for families is finding stable and dependable child care that aligns with their work schedules, particularly for shift-work schedules, which can include late afternoon and evening hours or overnight shifts. Yet only 8 percent of licensed child care facilities nationally provide child care during nontraditional hours. Many if not most of the occupations that are considered essential during the pandemic rely upon shift-work schedules. These include occupations in the health care, food and grocery, and transportation and delivery industries, as well as social workers, cleaners, and emergency services workers, to name a few. Data also suggest that the majority of essential workers in health care and government/community-based services are women. Women who are essential workers and mothers are juggling two competing demands: On the one hand, they are required to be onsite for their jobs, and many of these positions may require night shifts. On the other hand, they are also disproportionately shouldering the responsibility for finding or providing child care during the pandemic.

The pandemic, which has caused an estimated 70 to 90 percent reduction in public transportation, has also posed challenges for families that rely on public transit to travel to child care facilities. Even if their provider is open, these families may need to identify options closer to home, or seek child care options that offer transportation.

Finding care that meets children’s unique needs. Child care closings and/or reductions in providers’ child care capacity related to the pandemic have made it even more challenging for parents to find care that addresses their children’s unique developmental needs. For example, even when child care is affordable, available, and accommodates parents’ work schedules and needs, these settings may not reflect the family’s cultural beliefs and practices. Likewise, if a provider does not speak the family’s primary language, then the family does not have access to the provider’s care in the way that a family that speaks the provider’s language does.

Similarly, there are approximately 1.2 million children under the age of 6 who have specific developmental, health, or behavioral needs. In child care settings, these young children require access to staff who are trained and qualified to address their specific needs and provide an appropriate care environment. With pandemic-related closures, an estimated 40 percent of parents have reported a loss of services or care designed to support their child’s developmental, health, or behavioral needs.

Families’ needs are multidimensional. The challenges for families that have been caused or exacerbated by the pandemic are interrelated: Job loss results in downstream effects on housing stability, nutrition, health care access, and ability to afford or access child care. In addition, many families are facing multiple challenges that may be related to having low income, living in a rural area, having a child with a special developmental or language need, and/or having an essential job that requires parents to work during nontraditional hours. For example, a rural family may need access to a child care provider that accepts
child care subsidies and speaks Spanish. Another family that qualifies for a child care subsidy may need a preschool option for a 4-year-old as well as a child care option that is equipped to support their younger toddler who has significant special needs, and provides transportation to the center. A single mother whose low-income job as a hospital custodian requires her to work the night shift may need access to child care subsidies and a care provider who offers care during nontraditional hours. Though all families are struggling to identify child care solutions as a result of the pandemic, the hurdles are unequivocally larger for some families than they are for others.

**Strategies state and local policymakers and administrators can pursue to support families that have been disproportionately impacted by the pandemic**

Ensuring all families have equitable access to child care requires that state and local leaders take different approaches to support the unique needs of families, focusing on those that may face multiple challenges as result of the pandemic. State and local policymakers and CCDBG administrators can examine the accessibility, affordability, and ability of available care options to accommodate families with unique work schedules and support the developmental needs of their children.22

- **Create emergency COVID-19 response strategies to connect families with open child care options in their area, by ages served and program type.** For families to easily enroll their child in a program requires that 1) programs slots exist for families that need them, and 2) families have accurate information about available program slots. State and local CCDBG administrators can work together to connect families to open child care options. This involves supporting states and local entities so they can provide current data and information about child care availability to local and state websites, including state child care consumer websites managed by child care resource and referral agencies, as well as to national websites like ChildCare.gov. These websites can provide updates about child care re-openings and an easy way for parents to search those openings. Child care administrators should also communicate early and often with families via virtual town halls, listservs, and websites about how care and services may be affected, as well as how they may be evolving, due to COVID-19.

In addition to communicating about care options by location, ages served, and program type, state administrators who oversee child care websites and communication mechanisms can consider implementing additional search features that allow families to determine which care providers/facilities support the their primary language, offer extended hour options, accept subsidies, and/or offer meals and transportation. Helping families access this information is perhaps more critical now during the pandemic than ever before, and state leaders may need to tap emergency resources and develop new reporting requirements for child care providers in order to make this information available.

- **Consider the impact of job losses and child care closures due to the pandemic, and how they affect parents’ ability to pay for care.** More families may need flexibility in accessing and using child care subsidies. To support families experiencing job loss or job instability, the Coronavirus Aid, Relief, and Economic Security (CARES) Act includes funding for states to provide support to parents during the pandemic. Specifically, $3.5 billion is included in the bill for the Child Care Development and Block Grant to offer subsidies during job search or waive child care fees due to families going without or having reduced incomes.23 State leaders may also need to consider increasing subsidy amounts, given that high or increasing costs of care may result from reduced enrollment to adhere to health and safety protocols.

- **Determine the availability of child care options during nontraditional hours.** Parents and family members who are deemed essential workers may disproportionately need early morning, evening,
and overnight child care options in order to work shifts at hospitals, grocery stores, and other workplaces providing essential goods and services. State leaders should offer additional incentives for child care providers to support essential workers by providing emergency care through temporary regulatory changes and additional funding provided by the CARES Act. State and local leaders can also then ensure that the availability of these child care providers is well advertised to essential workers.

- **Determine the extent to which children with special needs are able to access services and providers are able to serve them.** State leaders should facilitate partnerships among experts and state and local agencies to assess unmet child care needs of children with special needs. Based on this assessment, leaders should swiftly offer guidance to early care and education providers about prioritizing supports to address the early intervention needs of children with developmental delays or disabilities, as well as guidance related to early childhood mental health and child care health and safety. Though services may be delayed or altered in some way, it is important for providers to continue to make plans and track progress toward goals for individual children. As mentioned before, leaders should communicate early and often with families via virtual town halls, listservs, and websites about how care and services for children with special needs may be impacted by COVID-19.

**Many child care providers have been disproportionately impacted by the pandemic**

The child care market has historically been a fragile industry that operates on thin margins. Most child care staff earn an average of about $11.00 per hour and often do not receive health care benefits or paid family and sick leave. During the pandemic, child care programs are either closed or operating at reduced capacity; however, they still bear the responsibility of paying fixed costs, such as occupancy expenses, cleaning supplies, and employee payroll. Recent analysis from the National Association for the Education of Young Children indicates that two out of five—or 40 percent of providers who responded to their survey, half of which are minority-owned businesses—will have to close if they do not receive some kind of assistance for small businesses.

Any conversation about the child care industry would not be complete without considering the unique challenges facing the child care workforce. About 40 percent of the nation’s child care providers are women of color. Black child care workers are already more likely to earn less than $15 per hour as compared to White child care workers, a reality that a recession economy is likely to exacerbate. In addition, before the pandemic, the poverty rate among child care providers (15%) was already more than double that of workers in other professions (7%). An unstable child care sector would therefore mostly affect an already racially marginalized and low-income group.

**Strategies state and local policymakers and administrators can pursue to support child care providers who have been disproportionately impacted by the pandemic**

Though the entire child care industry is seeking strategies for safely reopening and sustaining their businesses during the pandemic, state and local child care administrators should consider implementing specific strategies that can help to support those providers hit hardest during this time.

- **Connect child care providers with much-needed financial supports and guidance.** Administrators should develop plans to ensure that child care providers, particularly those that accept child care subsidies or are located in rural areas, have access to small business financial supports that may help them navigate the impact of the pandemic on their business operations. This includes helping
small business owners through the process of completing the Small Business Administration loan applications. Phase 3.5 of the CARES Act includes the Paycheck Protection Program, and the Health Care Enhancement Act amends small business programs enacted in the CARES Act and provides additional funding for small business loans. The larger of these loan programs, the Paycheck Protection Program, aims to help small businesses retain their existing workforce by providing loans to cover payroll, mortgage interest, rent, and utility expenses for up to eight weeks. Businesses are eligible for 100 percent federally guaranteed loans that cover 2.5 times the monthly average of their payroll, up to $10 million.

- **Support child care providers in implementing health and safety guidance.** Administrators should also provide child care businesses with clear guidance for implementing new health and safety requirements related to cleaning, mask wearing, and pick-up and drop-off policies, as well as standard language and resources for providers to share with families to communicate these new practices and policies. Child care providers may also need assistance in obtaining the required quantities of cleaning supplies, hand sanitizers, soaps, detergents, and personal protective equipment needed to comply with these regulations.

- **Collect and communicate data about the impact of the pandemic on child care providers.** Administrators can collect data about the impact of the pandemic, through surveys and by connecting with child care resource and referral agencies (CCR&Rs). During the pandemic, surveys with providers and CCR&Rs may be an immediate, critical, and effective strategy to collect information on the financial status of child care programs, their resource needs, their ability to provide child care for essential workers and the demand they have received to date, and the availability and turnover of the early care and education workforce. For a more detailed discussion of data collection strategies, see *Using Early Care and Education Provider Surveys in State COVID-19 Response Strategies*.

- **Track the demographics of child care closures to identify and address any patterns.** Once data are collected about the availability and needs of child care providers, administrators should repeat data collection efforts periodically to track openings and any ongoing challenges by zip code, program type (i.e., center- or home-based), ages of children served, or other characteristics such as providers that accept child care subsidies. Tracking these patterns can inform changes that may be needed for any ongoing follow-up relief efforts that are tailored to the unique needs of these providers and the families they serve.

## Conclusion

State and local policymakers and administrators should pay careful attention to supporting both families and child care providers who have been disproportionately impacted by the pandemic. Ensuring that families have equitable access to child care, and that child care providers have equitable access to financial supports, health and safety supports, and guidance about how to navigate those resources, will require policy responses that cannot be a one-size-fits-all approach. Moreover, families are facing multiple challenges at this time, and they may require a combination of supports to navigate work and child care over the coming months. An array of responses will be needed, all of which must start with gathering more information about the specific needs in communities within states. Developing these responses will require strong state and local partnerships working together to collect and share information and guidance, and a tailored strategy to prioritize resources and supports to best meet the needs of those families and care providers hit hardest during this difficult time.
Additional resources

Supporting the Child Care Market Through the COVID-19 Pandemic, Bipartisan Policy Center

Tip Sheet for States and Territories: Using CCDF Amendments and Waiver Flexibilities to Meet the Child Care Needs as a Result of COVID-19, U.S. Department of Health and Human Services, Administration for Children and Families, Office of Child Care

Want to Support Your Community's Equitable Recovery from COVID-19? Invest in Child Care, The Bridgespan Group

States Are Using the CARES Act to Improve Child Care Access during COVID-19, Child Trends
Endnotes


16 Ibid.


Ibid.


Ibid.

Ibid.