

Childcare Recovery Package

Childcare workers were thrust to the front lines during the pandemic, “essential workers” caring for children of healthcare workers and others. The childcare sector, already fragile, due in part to inadequate support and historical inequities, is now at crisis point with pandemic-related spiraling costs, health and safety challenges, chaos in family schedules, fear of the virus, and closures resulting in the loss of over 1,000 slots in Yolo County (CCL via CHS). The true cost of providing childcare increased approximately 47% during the pandemic, further shaking a sector with very low profit margins. Without childcare, the ability of parents to return and remain at work is severely compromised and economic recovery is threatened.

First 5 Yolo proposes a 4-part Childcare Recovery package to support and incentivize increasing capacity, provide needed health and safety items, help stabilize providers who have performed as emergency responders during the pandemic and remain open currently, and assist in bridging the childcare gap for CalWORKS Families who fall off aid, have unaided household members, or who are just outside of eligibility.

Decades of early childhood research tells us that care and learning are intertwined, and childcare providers are key to the development and early learning of children. Third grade reading level attainment, a critical indicator of educational success, begins in early childhood. Young children with special needs, dual language learners, or those who are under-resourced are most in jeopardy without quality childcare options. Without reliable childcare, parents cannot return to work, food and housing insecurity persist, child poverty is exacerbated, and the resulting family stress increases the incidence of child maltreatment, substance abuse, and family fracture. Supporting access to childcare is a critical prevention and recovery investment in family and economic wellbeing.

Infrastructure Building Grants will support and incentivize existing, licensed providers to expand their license or enrollment, return to active status if inactive or closed, open a new license, or otherwise increase the availability of licensed care. Additional grants will incentivize new or expanded licenses for 0-2 care, a particular need in Yolo County per the 2021 Local Childcare Needs Assessment (gap of 3,934 licensed slots). Infant care is also especially costly to provide. Providers can use these grants for licensing fees, furnishings, equipment, outdoor space expansion, additional staffing, and/or other operating or set-up costs. These larger grants are intended to help close the accessibility gap that has plagued the system for years but has been exacerbated by closures during the COVID-19 pandemic. It is anticipated that amounts will be tiered to childcare type.

Smaller Recovery Grants (tiered to childcare type) will be offered to all licensed providers who were open in December 2020 to current, in recognition of the hazardous

conditions in which they have operated and their front-line response to the pandemic. This stabilizes providers and fills some of the lost revenue gaps, while allowing providers the flexibility to decide what is best for their business.

Health and Safety Items (air purifiers, outdoor handwashing stations, or shade “sails”) will be offered to all licensed childcare providers in Yolo County and license-exempt Family, Friend, and Neighbor (FFN) providers whose status is known to the local Resource & Referral Agency, Children’s Home Society (CHS) or First 5 Yolo. This helps to close the gap between public sites, which were offered same/similar items via CDE funds, and the many private centers, family childcare homes (FCC), and FFNs who complete the childcare spectrum. FCC and FFN providers and/or the families they serve are often low-income, dual language, immigrant, and underserved.

Infrastructure Grants, Recovery Grants, and Health and Safety Items are expected to be allocated within a 12-month timeframe.

The final category of funding would allocate \$1 million over 3 years to assist in bridging the childcare gap for CalWORKS Families who fall off aid or have unaided household members. This happens periodically when someone in the household times off benefits, or they receive additional SSI or RSDI income. Mixed immigration households, or those just over the income thresholds could also be assisted when CalWORKS funding cannot be used. County CalWORKS would allocate this funding directly to clients to pay for childcare.

Though the funding request is one-time, funding the Childcare Recovery components will have lasting benefits to generations of children and the community. Creating childcare capacity in safer and healthier environments and stabilizing a key economic sector at an especially precarious time will allow families and the local economy to stabilize. Accessible, safe, stable childcare contributes to the health, safety, and school readiness of children in Yolo County, as well as spurs economic recovery and growth by allowing parents to remain in the workforce. As simply stated by Harvard Center on the Developing Child, “When we invest wisely in children and families, the next generation will pay that back through a lifetime of productivity and responsible citizenship.”