Notes: StateFedConnect Peer-to-Peer
Zoom Call, August 3, 2021

Facilitators: Elizabeth Burke Bryant (Rhode Island KIDS COUNT) and Danielle Ewen (EducationCounsel)

Next Call: The next call will be on Tuesday, September 7, 2021, 4:00pm ET (first Tuesday of the month at 4:00ET). If you have registered, you will receive a reminder and Zoom link in advance of the call (To register for calls for the rest of the year: https://earlysuccess.zoom.us/meeting/register/tJwrfuqprT0rGtY5k0ySZFki-yRoEp_CMnSv)

“Ask Me Anything” Call-In: Every other Tuesday at 1:00 ET. Next call is August 17th at 1pm ET. To join: https://www.gotomeet.me/DanielleEwen You can also dial in using your phone. United States (Toll Free): 1 877 309 2073 United States: +1 (571) 317-3129 Access Code: 965-856-357

August 3, 2021 StateFedConnect Agenda:
- Federal Update – Danielle Ewen, EducationCounsel
- Advocacy Strategy Sharing – All

Federal Update – Danielle Ewen
Danielle began this meeting by guiding StateFedConnect advocates through the funding packages that President Biden and Congress are currently considering. See below for the slide included in today’s presentation.

She first described President Biden’s Care Infrastructure Proposals, which includes $225 billion for the Child Care for American Families program, $200 billion for Universal Preschool, and $25 billion for child care infrastructure. This proposal also includes continuation of the child tax credit, increases in paid family and medical leave, and tax credits for health insurance.

Congress has also answered President Biden’s call to work across the aisle through the Bipartisan Infrastructure Framework. This $1 trillion package primarily focuses on investing in national infrastructure (see this explainer for more detail).

The next piece of legislation is the Reconciliation Infrastructure Package, which proposes $3.5 trillion for the caring infrastructure and other priorities. Pieces of this bill are dedicated to addressing climate change and expanding Medicare, but there are calls for billions of dollars
toward Universal Pre-K, helping families with child care costs, and expanding the child tax credit.

There isn’t a set timeline on this package. While Senate Majority Leader Chuck Schumer has publicly stated that the Senate may not go on their August recess prior to voting for the bill, some Senators are not committed to staying in chambers for the time it takes to pass. Advocacy in both the House and the Senate is extremely important at this time. Members of Congress need to continue to hear from parents, providers, and other stakeholders to understand the seriousness of the need for child care in their districts and states.

<table>
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<tr>
<th>President Biden's Care Infrastructure Proposals</th>
<th>Bipartisan Infrastructure Proposals—$1 Trillion</th>
<th>Reconciliation Infrastructure Package—$3.5 Trillion</th>
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<tbody>
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<td><strong>Status? Proposals only</strong></td>
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<td>• $225 billion for the Child Care for American Families program</td>
<td>• $400 billion in expected baseline transportation funding that Congress must regularly renew</td>
<td>• Expand Medicare coverage to include vision, dental and hearing services</td>
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<td>• $200 billion for Universal Preschool</td>
<td>• $550 billion in new spending ($110 billion for roads and bridges, $39 billion for public transit; $66 billion for rail; $55 billion for water and wastewater; additional funding for airports, ports, broadband internet and electric vehicle charging stations</td>
<td>• Free community college</td>
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<td>• $25 billion for child care infrastructure</td>
<td>• Child care included in lead pipe remediation, transportation planning</td>
<td>• Paid family leave</td>
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<td>• Child and Dependent Care Tax Credit</td>
<td>• Pay-for mechanisms were unclear; relies on unspent pandemic funds and “gimmicks”.</td>
<td>• Expanding the child tax credit</td>
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<td>• Child Tax Credit</td>
<td>• Help families with child care costs.</td>
<td>• Expanding the child tax credit</td>
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<td>• Paid Family and Medical Leave</td>
<td>• Plan to achieve 80% clean electricity and cut carbon emissions by 50% by 2030</td>
<td>• Help families with child care costs.</td>
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<tr>
<td>• Nutrition program expansion</td>
<td>• Universal Pre-K</td>
<td>• Plan to achieve 80% clean electricity and cut carbon emissions by 50% by 2030</td>
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<td>• Health insurance tax credits</td>
<td>• No taxes on families below $400K</td>
<td>• Universal Pre-K</td>
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**Advocacy Strategy Sharing**

The remainder of the call time focused on StateFedConnect advocates sharing their experiences and strategies for meeting with members of Congress, as well as advocacy on the state and local levels.

**Funding Hesitancy**

Many Republican representatives have already stated that a topline number of $3.5 trillion is too much and they won’t vote on it. StateFedConnect advocates found some of the following strategies helpful when meeting with Republican offices:

- “We've made sure to stick to the highest possible investment language and to acknowledge the importance of preserving parent choice and a mixed-delivery system.”
- “We’ve said, ‘We understand the politics of reconciliation are complicated, but we wanted to connect with you about the importance of [these funds, this policy, child care, etc.] to families in our state.’”
StateFedConnect advocates have also found it challenging when Congressional offices ask for specific uses and amounts of funding. When advocates are unable to draw those particular facts, they found it helpful to share the recommendations that leaders gave to providers, and communicate that the funding is being spent, and insist on its success. Other advocates shared their thoughts:

- “We emphasized that ARPA, etc. had helped child care survive but additional resources are needed to help child care thrive.”
- “We are talking about the successes and challenges of ARP resources and what we need from them through reconciliation. We see reconciliation focused on long-term impact, well beyond the four years.”

Child Care Provider Compensation
Through conversations with providers, StateFedConnect advocates know how challenging the current climate is for all those who care for children, on top of wages that are below state and national minimums and vastly below market rates. Some shared their thoughts:

- From the most recent NAEYC survey, Progress and Peril: ‘It is important to note that 73% of early childhood educators say they would want their compensation to increase temporarily (for 1-2 years), even if they knew it would eventually revert to what they earned prior to the pandemic.’
- In one state, the tourism industry reached out to child care advocates because they can’t bring their own employees back without sufficient childcare. “Child care is the workforce behind the workforce – we have to stabilize childcare to fix anything else.”

Claims about Unemployment Payments
Conversations around the country have included claims that people are not returning to work because of their access to unemployment payments. There is evidence and testimony that enlightens other underlying factors as to why the workforce cannot return to work.

- “Our governor ended the enhanced unemployment payments early,” claiming, “it would ‘fix’ the problem” and bring people back to work. “They even offered people 3 months of free child care. They expected 10,000 people to take them up on it. They got 250.” People knew they wouldn’t be able to continue to pay for the child care once the "benefit" ran out.
- “Most of the discourse about why folks aren't going back to work in [our state] is because of the increased unemployment checks. Thinking about working with the business leaders that are naming child care as a reason why folks aren't going back to work and trying to lift that up more in the state.”
- This resource cites research from the Census Bureau. Arindrajit Dube, an economics professor at University of Massachusetts Amherst, explains that twenty-five states have ended at least some of their pandemic-era unemployment programs, with a 60% reduction in those states’ unemployment rolls. Alternatively to what many have claimed, this did not lead to an increase in employment, rather a 1.4% fall in those states, while states that didn’t cut their pandemic benefits saw a 0.2% increase during the same time period. Dube notes that the study has not been conducted over a long
enough period, but that there is not significant evidence to suggest that federal benefits were a constraint on jobs.

Additional Funding for Workforce Support

StateFedConnect advocates shared their states’ experience and whether the efforts have been successful:

- **CT:** Our application included a checkbox agreement that said if they used 25% of their funding for workforce, they would get an additional fourth payment following the original three.
- **GA:** The state rolled out “power payments” – the provider applies on behalf of staff members for an additional $1,000 payments.
- **IL:** State has not yet tied compensation increase into the stabilization grants but is thinking about how to build that into our grants moving forward.
- The [Office of Child Care](https://www.acf.hhs.gov/ocf) has links to the stabilization grant opportunities from different states. It may have some info about how they’re handing compensation, if it’s part of the grant.
- “Providers have been hesitant to use the compensation funds to raise wages, [and instead] preferring to do bonuses. But as of Aug 1st the minimum wage went to $13 per hour so there are some who are using the stabilization money to help cover the higher cost.”
- Many providers see these as band aid solutions. Child care can’t compete with businesses that offer health insurance. Walmart gives college education funding opportunities. A small increase in minimum wage to $12-$13 doesn’t matter when providers can’t offer market rate.

Resources

- The Alliance for Early Success published a [blog by Albert Wat](https://alleysuccess.org/2021/03/01/the-budget-brief-case-for-quality-child-care), advocating for funding that creates the space for quality care.
- You may have heard about the Paid Leave for All bus tour that is going around the country. There are also a number of events designed to highlight the issues facing families and making the case for investments in the care economy. [This Google Doc](https://docs.google.com/document/d/1Dw6GKtX-mq1nQ0Jx7Z8ZDwJ6Qn3Z5w5/edit) from Build Back Better has lots of state and local events that your stakeholders might want to join or support.

**Remember,** Wednesday Days of Action are pivotal to continuing our drumbeat! We’re optimistic about this opportunity, and it is important that all members of Congress regularly hear how important it is to fund child care! The next StateFedConnect call will be on **Tuesday, September 7, 2021, 4:00pm ET.**