Notes: StateFedConnect Peer-to-Peer
Zoom Call, December 7, 2021

Facilitators Elizabeth Burke Bryant (Rhode Island KIDS COUNT) and Mandy Ableidinger (Alliance)

Next Call: The next call will be on **Tuesday, January 4, 2022, 4:00pm ET** (first Tuesday of the month at 4:00ET). Here is the link to register for the calls during 2022 (you need to re-register for 2022 calls):

https://earlysuccess.zoom.us/meeting/register/tJwrfuqprT0rGtY5k0ySZFki-yRoEp_CMnSv)

When you register, you will receive a reminder and Zoom link in advance of the call.

December 7, 2021 StateFedConnect Notes:

**AGENDA**
The December StateFedConnect call was all about federal investment in working families and young children through the Build Back Better Act, which has been passed by the House and is awaiting a vote in the Senate. Attendees heard an update on the child and family provisions of the bill from our partners at CLASP and then moved into small breakout groups to discuss how their states are likely to approach taking up the funding for child care and Pre-K once the bill passes.

**CLASP Update on Status of Build Back Better Legislation**
CLASP’s Stephanie Schmit, Director of Child Care and Early Education, and Alycia Hardy, Policy Analyst with the Child Care and Early Education team, joined StateFedConnect to update attendees on the progress of the bill – what’s changed, where are we now, and what do we know about the timeline? They also shared details on early care and education provisions that have been in the media lately. [Access CLASP’s slides here](https://earlysuccess.zoom.us/meeting/register/tJwrfuqprT0rGtY5k0ySZFki-yRoEp_CMnSv)

Stephanie and Alycia reminded the group that the bill includes investments and policy in health care (for children, mothers, and other adults), mental health, paid leave, the child tax credit, child care, and preschool. (Click links to read more about the specific investments and policies in the bill.)

They shared the current Senate context for some of these provisions:

- Advocates are putting extra focus on the maternal mental health provisions as the bill moves through the Senate to ensure parity with other health provisions.
- Paid leave is at risk in the Senate version of the bill.
A provision to restore eligibility to the child tax credit to families with children who are immigrants is an area of tension in the Senate. There is also some rhetoric around adding a work requirement for child tax credit eligibility.

Stephanie and Alycia delved deeper into the child care and universal preschool provisions in the BBB Act, particularly provisions that advocates have been asking about or that have been in the media lately, including funding, state match, maintenance of effort, religious and family child care provider eligibility, and timeline for passage of the bill.

**Funding, State Match, and Maintenance of Effort**
They walked through CLASP’s state-by-state estimates of the amount of funding for child care included in the bill for the first three years, which is based on the Child Care and Development Block Grant (CCDBG) formula. They noted that these dollars amounts are estimates only, and that they are subject to change based on what happens in the Senate as well as decisions that states make about whether to take up the funding. Because the funding for the universal preschool provision is less straightforward and dependent on a host of factors, there are no state-by-state distribution estimates available currently for that provision.

The child care and universal pre-k programs are 100% funded by the federal government for the first three years (through 2024), with no state match. In 2025, some state match requirements kick in:

- For the child care provision, starting in 2025, the federal government will pay 90% of the costs for services, follow FMAP rates for quality and supply building costs, and pay for half of the administrative costs. Expenditures that states are making on child care can count for match if they are not already counting towards match for another federal award. States must maintain the same level of spending on average on other child care services that they have spent in the previous three years.

- For the universal preschool provision, the federal government will pay 90% of the cost of services in 2025, 75% in 2026, and 60% in 2027. Sources for match can include cash, in-kind, facilities, properties, equipment, services, and extending half-day to full-day programs, and can include philanthropic or private contributions. The exact amounts associated with those percentages can’t yet be estimated state-by-state, since the amount of funding states will need to draw down in 2025 and beyond will be based on the population of children and families being served at that time. States must maintain their per child spending on public preschool programs relative to their spending for the previous fiscal year.

We will continue to update you as we get more information about state match requirements and dollar amounts.

**Eligibility for Family Child Care Providers, Religious Providers, and Nondiscrimination Clause**
In response to a flurry of media attention about religious child care providers, Stephanie and Alycia clarified a few points:
• The bill explicitly ensures that religious providers are eligible and nothing in the language excludes them based on their faith.
• The nondiscrimination provisions in the bill are similar to those in other pieces of federal legislation that are tied to funding for states, like the Civil Rights Act, Title IX, the Americans with Disabilities Act, and Head Start. The goal of those provisions is to ensure that no child or family is discriminated against based on their religion, race, gender, disability, etc. Because some religious groups brought concerns to the committee earlier, several of these provisions include exemptions for religious providers.
• Faith-based providers will not be required to change the tenets of their programs to participate.

Family child care providers can also be eligible. They need to:
• Be licensed in the state
• Be participating in the quality system by the last day of the third year
• Satisfy state and local requirements for providers under CCDBG

To assist with the transition, there is a 3.5-year grace period to allow providers to ramp up to meet the additional requirements included in the bill. During that time, states will develop licensing pathways in consultation with stakeholders.

**Timeline**
The bill is currently undergoing what is known as a “Byrd bath” in the Senate, during which Senators can offer points of order against individual provisions that they feel may go against budget rules. (If you’re interested, enjoy [this pun-filled explanation of the Byrd bath](#).) After a Senate vote, the bill will go back to House, and then to the President’s desk. The timeline is still uncertain, but the Senate may vote on the bill before the end of the year.

**Take-Up of Build Back Better Child Care and Universal Pre-K Funding**
Attendees then divided into three breakout groups to discuss their states opting into the early care and education funds in the bill. The groups discussed barriers to take-up of the funds, advocacy plans around take-up, and messaging and strategies that they feel would gain support in their states.

**Action Steps**
Allies plan to continue sharing with decision-makers how excited they are about the positive changes these investments could make in the lives of young children and their families in their states. In addition, advocates can:
• **Keep reaching out to all Senators, particularly those on the HELP committee**, to ensure that they are hearing about the need for more support for early care and education in states.
• **Watch for the Child Care for Every Family Network event next Tuesday, Dec. 14th**. There will be social media, an in-person event in DC, and a virtual portion.
• **Participate in the Wednesday, Dec. 15th Day of Action**. Here’s the [First Five Years Fund Action Center](#) with tools you can use.
Remember, Wednesday Days of Action are pivotal to continuing our drumbeat! Being relentless does matter! 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!

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