















March 19, 2020

To Governor Doug Ducey, AZDHS Director Dr. Cara Christ, and the Arizona State Legislature,

#### Arizona's childcare is essential and needs emergency support to survive.

As early childhood education, business, and community partners, we are committed to the development, health, and well-being of all Arizona's young children and all who care for, educate, and work on their behalf:

- Arizona Association for the Education of Young Children (AzAEYC)
- Arizona Early Childhood Alliance (AZECA), an alliance of 40 cross-sector partners statewide
- Arizona Early Childhood Education Association (AECEA)
- Arizona Head Start Association (AZHSA)
- Child & Family Resources (C&FR)
- Children's Action Alliance (CAA)
- Southern Arizona Association for the Education of Young Children (SAZAEYC)
- United Way of Tucson and Southern Arizona

We are writing to request clear guidance and action from the Governor's Office, Arizona Department of Health Services, and the Arizona Legislature for licensed childcare centers and family childcare programs regarding emergency funding and policies that can help providers and the families they serve to remain financially stable during and after the ongoing COVID-19 crisis.

As a public health matter, and in order to meet the goals of flattening the curve to save lives, we believe that if school districts have closed schools, then our state must also recommend the closure of childcare programs. Simultaneously, however, select licensed childcare centers and family childcare providers should be allowed to and/or instructed to reopen or remain open on a limited basis in order to serve the children of emergency responders and other essential personnel (as defined by the state or locality) for whom remote work is not an option.

Governors and leaders of health care systems have made it clear that childcare is an "essential service," without which we will not be able to effectively respond to this pandemic. Given that reality, our state is obligated to support childcare's continued existence, including programs that support families with childcare subsidies and those that do not. When implementing disaster loans for small businesses, childcare providers MUST be included. When implementing an unemployment benefit package, self-employed childcare providers MUST be included.

## Arizona's Childcare is Essential and Needs Emergency Support to Survive

State action MUST include providing significant, flexible, and additional funding to childcare, through multiple mechanisms such as the Child Care and Development Block Grant (CCDBG), accompanied by policies that increase financing flexibility, waive co-pays, increase eligibility, and move everyone permanently from attendance-based payment policies to enrollment-based policies.

In addition, programs that remain open to serve families who need it MUST be provided with a version of "hazardous duty" pay, in which they are guaranteed additional funding to ensure they are able to pay substitutes, provide 24-hour coverage, and access supplies and resources needed to keep the environment safe and healthy. They also MUST have access to public funds for paid family and sick leave to cover staff who, in following the recommendations of public health personnel, have to take time off to maintain their own health or care for family members and limit the spread of the virus.

Please recognize that this is not the time to eliminate or suspend licensing rules or set up new, untested, and unmonitored childcare programs that will compromise the health and safety of children, their families, and the community at large. Providing childcare in the best of times requires complex skills. In times of uncertainty and trauma, skilled and trusted early childhood educators are needed more than ever.

Additional actions also are needed to protect the supply of childcare now and after the pandemic subsides, including in programs that are not currently serving families with a childcare subsidy. Data from a survey the National Association for the Education of Young Children (NAEYC), distributed this week, indicates that many childcare centers and homes are not going to be able to survive a closure. Up to a third in some states indicate they won't survive a closure of any period. Another third won't survive a closure of more than two weeks. In other words, a temporary business closure is, for many, a permanent one.

For that reason, the public sector must provide support to ensure the continued existence of this essential childcare system, which keeps children safe and Arizona working, not only through subsidies, but through other mechanisms as well, including:

- Alongside actions taken by the federal government to increase access to paid leave and unemployment insurance, Arizona must ensure that all childcare closures are accompanied by additional, necessary policies and funding that allow for access to unemployment compensation for all staff who work in center-based childcare or own/operate or are staff of family childcare homes.
- States and the federal government need to ensure that childcare programs, in centers and homes, are automatically enrolled in mortgage forbearance or provided rent deferrals for a minimum of 3 months and up to 6 months.
- Programs licensed and enrolled in the state's early childhood quality improvement and rating system, Quality First, should be provided with zero-interest loans that will allow

## Arizona's Childcare is Essential and Needs Emergency Support to Survive

them to cover costs upfront with the expectation that funds will be paid back within a set period from the start of the loan.

Our childcare system operates differently than our public K-12 system, where schools will be able to re-open and educators may be compensated regardless of the length of time schools are closed. Childcare staff MUST be compensated during closures. Therefore, childcare programs across Arizona need significant state investments **if they are going to survive**. This moment has made it clear how essential it is for childcare to do so for the good of children, families, businesses, and Arizona's safety, security, and economy.

### Ten Steps Arizona Can Take for Licensed Childcare

- 1. Close childcare programs alongside school districts, with the provision for select, licensed childcare providers in centers and homes to operate in order to serve the children of emergency responders and other essential personnel. *Ensure families know about and can access a centralized, updated list of these childcare centers and family childcare homes, frequently asked questions, COVID-19 updates (specifically for childcare), and availability through trusted sources like Child Care Resource & Referral ARIZONA.*
- 2. Open access to unemployment compensation for all staff who work in center-based childcare or own/operate or are staff of family childcare homes.
- 3. Invest additional state dollars in childcare and ensure subsidy payment policy is modified to waive co-pays, increase eligibility, and pay based on enrollment and not attendance.
- 4. Automatically enroll all childcare programs, centers and homes, into either mortgage forbearance or provide them with required rent deferrals for a minimum of 3 months and up to 6 months.
- 5. Provide programs that are licensed and enrolled in Quality First with a zero-interest loan that will allow them to cover costs upfront, with the expectation funds will be paid back within a set period from the start of the loan.
- 6. Do not eliminate or suspend licensing rules or set up new, untested, and unmonitored childcare programs; this will compromise the health and safety of children, families, and the community at large. To ensure families are as comfortable and confident as possible with their children's care in this challenging time, the state should consider waiving specific requirements around the age range programs can serve, so that any licensed program in a center or home that is set up to care for the young children of essential personnel also can care for their older children.
- 7. Provide a version of "hazardous duty" pay to the select childcare programs that are being asked to remain open to serve essential and front-line workers. Provide these programs additional funding to cover the increased risks and costs of maintaining services. *Providers should be given clear guidance on how to remain safe and practice social distancing and minimal contact while continuing to provide the quality care children and families need.*
- 8. Provide separate and adequate payments that ensure providers are able to utilize substitutes, provide 24-hour coverage, and get access to supplies and resources needed to keep the environment safe and healthy.

#### Arizona's Childcare is Essential and Needs Emergency Support to Survive

- 9. Ensure programs are aware of and can access public funds for paid family and sick leave to cover staff that have to take time off to limit the spread of the virus or care for themselves or family members.
- 10. Include at least two licensed childcare providers, who are based in centers and homes, in advisory groups for emergency management agencies in order to provide input on how best to respond to changing circumstances and environments.

To help keep families and childcare programs economically stable and healthy through this challenging time, **Arizona MUST provide additional state funding investments and clear childcare guidance to respond to the realities and needs of families, childcare providers, and staff.** 

We appreciate your urgent attention to this matter. We are standing by and are most willing to help communicate information, updates, and the implementation of these recommendations.

#### Sincerely,

Arizona Association for the Education of Young Children (AZAEYC)

Arizona Early Childhood Alliance (AZECA), an alliance of 40 cross-sector early childhood,

business, and community partners statewide

Arizona Early Childhood Education Association (AECEA)

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