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Gov. Wolf: PA to Distribute \$117 Million in CARES Funding for Child Care Providers

Harrisburg, PA – Governor Tom Wolf today announced his plan to distribute more than \$117 million in CARES Act funding to child care providers across Pennsylvania – the third of three distributions to sustain an industry that builds healthy foundations for our children, facilitates employment and economic opportunity for working parents, and is the keystone for every other aspect of our economy.

“Pennsylvania has made significant investments to preserve our child care sector to keep providers open and available to working families, but we know that child care providers remain vulnerable to the economic impacts of the COVID-19 crisis,” said Gov. Tom Wolf. “A strong child care industry is a requirement for a healthy economy. We must remember this as we move forward and continue support for child care providers as they care for young Pennsylvanians and allow parents to work so our communities and economy can thrive.”

Earlier this summer, the Wolf Administration [distributed about \\$104 million](#) in CARES Act funding to child care providers licensed by the Department of Human Services’ Office of Child Development and Early Learning (OCDEL). The distribution method of this latest round of CARES funding is based on the findings of researchers at Penn State Harrisburg’s Institute of State and Regional Affairs, who studied the impact of COVID-19 on Pennsylvania’s child care industry. In total, \$220 million has been allocated to support child care providers across Pennsylvania.

Before the COVID-19 crisis, 7,017 licensed child care providers were operating in Pennsylvania. As of late July, more than 200 of those providers have indicated an intention to permanently close their doors. The third round of CARES funding will be distributed to 6,893 providers.

[The impact study](#) analyzed the financial costs of the COVID-19 crisis to child care providers, the possibility of permanent closures as a result of the crisis and the level of investment needed to sustain the industry during a transitional period of low demand and after the crisis has subsided. Penn State researchers drew conclusions from both detailed surveys distributed to hundreds of child care providers throughout Pennsylvania and also a smaller number of personal interviews with child care providers and workers.

Penn State’s study estimates about 1,000 additional providers are at risk of closure without financial assistance to offset ongoing costs of implementing COVID-19 guidelines and reduced enrollments. The study’s recommendations to guide distribution of about \$117 million in federal CARES Act funding allocated for child care.

In addition to \$116M in CARES Act funding made available in the enacted budget, the Department is redistributing more than \$1.7 million of funds from the June and July Child Care Development-CARES Act funding in this third round of payments. Funding award ranges for this round of funding are:

| Provider Type | Provider Count | Funding Per Provider | Total Funding by Provider Type |
|--|-----------------------|-----------------------------|---------------------------------------|
| Family Child Care Homes | 1,412 | \$2,100 | \$2,933,700 |
| Group Child Care Homes | 660 | \$5,600 | \$3,696,000 |
| School-Aged Only | 779 | \$6,300 | \$4,888,800 |
| Category 1 Child Care Centers (serving 8 -26) | 410 | \$6,800 | \$2,747,200 |
| Category 2 Child Care Centers (serving 27-38) | 420 | \$11,800 | \$4,908,800 |
| Category 3 Child Care Centers (serving 39-49) | 421 | \$15,900 | \$6,678,000 |
| Category 4 Child Care Centers (serving 50-62) | 423 | \$19,300 | \$8,086,700 |
| Category 5 Child Care Centers (serving 63-77) | 415 | \$22,100 | \$9,171,500 |
| Category 6 Child Care Centers (serving 78-93) | 409 | \$28,300 | \$11,574,700 |
| Category 7 Child Care Centers (serving 94-113) | 401 | \$30,900 | \$12,360,000 |
| Category 8 Child Care Centers (serving 114-138) | 404 | \$41,200 | \$16,644,800 |
| Category 9 Child Care Centers (serving 139-180) | 402 | \$43,600 | \$17,483,600 |
| Category 10 Child Care Centers (serving 181-598) | 337 | \$48,600 | \$16,669,800 |
| | 6,893 | | \$117,843,600 |

Earlier this week, as part of his fall legislative agenda, Gov. Wolf [proposed a \\$250 million investment](#) to further support child care providers and working families needing child care. This proposal, which would be funded through remaining CARES Act funds, would support access to school-aged child care programs for families who need care due to blended or remote learning models, expand child care options in areas where few providers currently exist, and help providers serving school-aged children in low-income communities support children by providing grants to support health and safety updates and infrastructure necessary to ease remote learning in these settings.

“This public health emergency is not over, and there will be challenges ahead that providers will rise to because of their dedication to the families they serve. Providers should not have to navigate these challenges alone, and we must support providers and working families in every way possible,” DHS Secretary Teresa Miller said. “This \$220 million investment has helped providers resume operations and adapt to operations in this new world, and this additional \$250 million will allow providers to continue to support needs of families affected by these challenging times.”

For more information on child care providers operating during the COVID-19 public health crisis, visit www.dhs.pa.gov.