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Lowey Introduces Child Care Legislation to Support Families and Bolster America's Economic Recovery

*Lowey's **Child Care for Economic Recovery Act** would make critical investments in child care and infrastructure improvements, and provide tax relief for families, providers, and employers."*

Local Child Care Providers and Advocates Praise Proposal, Call Lowey "a champion for child care"

WASHINGTON, DC – Congresswoman Nita Lowey (D-NY17/Rockland-Westchester), Chairwoman of the House Appropriations Committee, announced introduction of [H.R. 7327](#), the Child Care for Economic Recovery Act, legislation to expand the availability of quality child care, help workers return to their jobs when it is safe, and enable America's economy to recover from the COVID-19 recession.

"The coronavirus pandemic has taken a devastating toll on our families and communities," **said Congresswoman Lowey**. We will recover together, but that recovery is only possible if we invest in affordable, quality child care. The early years of a child's life are powerfully formative. We have an opportunity and a duty to ensure all our children are safe, healthy, and learning. Parents simply cannot return to work without these baseline necessities in place, which is why the Child Care for Economic Recovery Act would dramatically increase child care funding for the first time in more than a decade, provide new funding for infrastructure improvements, give families, providers, and employers tax relief, and recognize child care workers as the essential workers they are."

Through federal investments and tax subsidies, the bill would increase ongoing access to safe, quality, affordable child care, which is a basic precondition of work for parents and caregivers, a

vital part of re-hiring efforts, and fundamental for children’s healthy development and academic success.

Specifically, the Child Care for Economic Recovery Act would:

- increase funds for the Child Care Entitlement to States program—for the first time in more than a decade—to \$10 billion;
- invest \$10 billion in infrastructure to improve child care safety.
- provide \$850 million to states, the District of Columbia, and all U.S. territories to fill in gaps in dependent care for essential workers during the COVID-19 pandemic;
- enhance the child and dependent care tax credit, making it fully refundable so more families can access the support they need;
- increase funding for Voluntary Income Tax Assistance to support families filling out their tax returns;
- expand dependent care flexible spending accounts;
- create a new tax credit to help employees access quality, affordable child care;
- provide a new refundable payroll tax credit for child care providers;
- incentivize employers to keep child care workers on payroll with an expansion of the employee retention tax credit; and
- recognize all child care workers as essential.

Under the Child Care for Economic Recovery Act, New York would receive an estimated \$51.6 million from \$850 million nationwide for the Social Services Block Grant to support essential workers obtaining child and dependent care.

If enacted, New York would also receive an estimated \$391 million in additional, mandatory funding from the Child Care Entitlement to States in 2020. This would be a 200 percent increase from current non-discretionary funding for a total of \$587 million.

“We applaud Congresswoman Lowey for once again recognizing the direct link between equitable access to safe, quality child care and economic activity and growth, never more urgent than now as the nation recovers from the COVID-19 pandemic,” **said Kathleen Halas, Executive Director of the Child Care Council of Westchester, Inc.** “The Child Care for Economic Recovery Act hits all the right notes by helping more parents pay for child care including new opportunities for essential workers, delivering operating support to keep struggling child care programs open, improving child care safety through new infrastructure funding, and substantially increasing the child care funds that go to the states. It is exactly what we need right now!”

“The Business Council of Westchester (BCW) thanks Congresswoman Lowey for introducing the Child Care for Economic Recovery Act,” **said John Ravitz, Executive Vice President and COO of the Business Council of Westchester.** “As the Westchester business community begins to reemerge from the Coronavirus pandemic, the BCW’s Economic Recovery Task Force has made

the issue of child care a top priority that needs to be addressed. Both employers and employees now must face many child care challenges. Passing Congresswoman Lowey's legislation is imperative to help give Westchester County more resources to ensure that child care facilities can continue to provide the safe havens that Westchester families deserve."

"Every day, more New York parents are being called back to work. Some 400,000 New Yorkers returned to work in NYC alone earlier this month; tens of thousands more have been called back around the state," **said Dede Hill, Director of Policy of Schuyler Center for Analysis and Advocacy.** "Yet New York – and the nation - have yet to unveil, and fund, a sustainable plan to safely scale-up child care to meet the needs of families. Thank you, Congresswoman Lowey, for championing the Child Care for Economic Recovery Act, along with the Child Care Is Essential Act. This latest bill will support what we know will be a long recovery from the devastating impacts of the pandemic in New York and across the nation; a recovery that cannot happen without child care. The Child Care for Economic Recovery Act, together with the \$50 billion in immediate child care relief included in the Child Care Is Essential Act, will enable the nation's struggling child care to survive this public health crisis and rebuild stronger."

"CCRR is thrilled to hear that Rep. Nita Lowey and Congress are spearheading an effort to provide long-term investment and tax incentives to child care providers and families," **said Vicki Caramante, Executive Director of Child Care Resources of Rockland, Inc.** "The COVID-19 health crisis has created an economic crisis and exacerbated the child care crisis. The Child Care for Economic Recovery Act will have an enormous impact on how families access quality child care; it will keep workers working, knowing their children are being cared for by professionals in a safe setting; and it will help providers improve the quality of care by making long-term investments in the child care system. Child care is in crisis, and Rep. Lowey and the co-sponsors of this bill are leading the way to give children safe places to learn and grow."

"Child care was been a critical support for working families before the COVID-19 pandemic and continues to play an even more vital role in serving essential workers" **said Meredith Menzies Chimento, Executive Director of the Early Care & Learning Council.** "Yet, the child care industry as a whole is extremely under-resourced and has been struggling for years. The Child Care for Economic Recovery Act takes crucial steps to bolster the infrastructure of the system and alleviate the financial hardship experienced by families as they utilize child care. As our Child Care Resource and Referral network works with child care providers to this deliver this essential service, the public and private investments that will come through this act will make big strides towards ensuring the strength of the system and its ability to continue to care for and educate young children."

"Nonprofit Westchester is so grateful to Congresswoman Lowey as she continues to be a champion for child care," **said Jan Fisher, Executive Director of Nonprofit Westchester.** "Now more than ever, we understand that there will be no significant economic recovery from the COVID-19 pandemic unless families and members of the workforce know that their children are in settings that provide for their physical and emotional safety.

A fact sheet on the legislation is available [HERE](#).

A section-by-section summary of the legislation can be found [HERE](#).

Legislative text is available [HERE](#).

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