



New Jersey's Response to COVID-19: Child Care Actions

Fact Sheet | January 2021

On March 27, 2020, the CARES Act was signed into law, including \$3.5 billion in supplemental appropriations for the Child Care and Development Block Grant to prevent, prepare for, and respond to the coronavirus. This funding represents a 60% increase in total discretionary appropriations for fiscal year 2020, which amounts to \$9.326 billion. States were given broad flexibility for how to use this funding and have therefore taken a variety of approaches to help address needs of working families and providers through COVID-19. However, as the funds ran out during the ongoing crisis, many states began pulling from other sources to continue supporting parents and providers alike. This fact sheet explains the actions New Jersey took to support the child care industry and working parents through 2020.

New Jersey received \$63 million in supplemental CCDBG funds through the CARES Act.

The state mandated the closure of all child care programs early on during the pandemic, with exceptions made for those registered to provide emergency child care services. Through the Emergency Child Care Assistance Program, programs could remain open to serve children of essential workers. Parents could register online, at which point county-based Child Care Research and Referral agencies assisted with enrollment and placement. This program was discontinued on June 15, when all child care programs were able to re-open under previous operating standards.

In March, a survey of New Jersey child care providers revealed that 59% of programs did not expect to survive beyond one month of closure and 32% worried that they would not survive any closure (if they were not designated as an Emergency site). In response, the state announced the Child Care Provider Health and Safety Preparedness Grant to help licensed programs cover health and safety costs as they reopened their doors.

These one-time grants offered up to \$5,000 for providers with variance based on provider type. Awards were intended to fund items such as personal protection equipment, thermometers, cleaning products, and supplies, and other related items to meet new health and safety guidelines.

Furthermore, New Jersey paid child care subsidies based on enrollment, rather than attendance, through the months of March, April, and May, with an additional \$100 per child offered to providers who remained open. Additional funds

covered copayments for parents who had their work hours reduced, were laid off, or had school-aged children who required additional care.

A portion of the state's federal Coronavirus Relief Fund dollars were used to pay providers an increased rate of \$75 per subsidy-eligible child, per month, through December 31. To help providers who were open by October 1, the state offered grants ranging from \$2,500 to \$17,000 based on provider type and licensed capacity.

New Jersey also set aside \$150 million of its federal Coronavirus Relief Fund dollars to help families with incomes up to 200% of the Federal Poverty Level cover the cost of school-age care during the virtual school day. This program was available for families not eligible for state child care subsidies, but who made less than \$75,000 annually. The funds were to be used only at licensed child care providers.

Many of these programs were set to expire on December 31 due to requirements under the CARES Act that set the Coronavirus Relief Fund expenditure deadline at the end of 2020. But on December 28, the state announced that the programs would be extended through January 31 because of newly signed federal legislation extending the deadline by one year. Through January, the state continued to pay school-age care subsidies during virtual school hours, made this assistance available to all families with annual incomes up to \$150,000, and offered child care providers an increased supplemental payment of \$300 per subsidy-eligible child. New Jersey also continued to cover parent copays and pay child care subsidies based on enrollment, rather than attendance through January 31.