FISCALE GOS The 101 on child-care needs that North Carolina should be funding during the pandemic CS BTC Budget & Tax Center

What N.C. needs right now

14,000 low-income families are on the waitlist for child-care subsidies.¹

25,000 early child-care providers need bonus pay.¹

3,800 child-care programs need operating grants.¹

What it takes to fund these N.C. needs

\$84 million would be the annual cost of providing all

parents on the waitlist with subsidies¹

\$240 million would be the annual cost of providing early

child-care providers with bonus pay¹

\$204 million would be the annual cost of supporting

child-care programs with operating grants¹

What N.C. is actually spending

\$68 million is the total amount that N.C.'s COVID-19 relief

bills allocated from the state's Coronavirus Relief

Fund to support child-care* 2-4

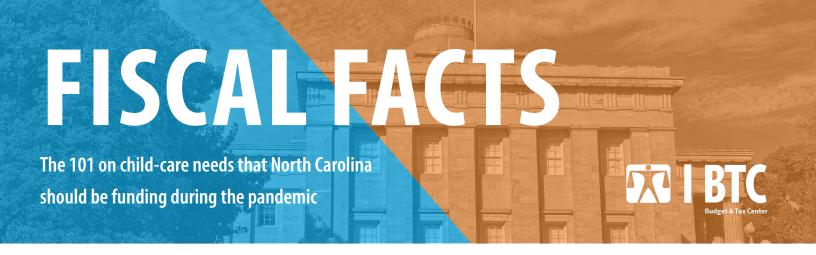
\$118.1 million in CCDBG funds from the federal CARES Act to

support child care in N.C.

*Assumes that \$5 million of the \$39 million allocated to the N.C. Department of Health and Human Services in HB 1043 and HB 1105 went to child care, which is likely an overestimate.

North Carolina currently has \$1,471,100,000 in unreserved funds that could be used to meet the persistent needs of families and communities. If North Carolina were to undo tax cuts for the wealthy, we could be bringing in more than \$3 billion in additional revenue each year. By failing to tax everyone equitably, North Carolina does not bring in the revenue it needs to fully fund all of the programs and services people need to thrive.





Link to relief bills

Other than the CCDBG funds in HB 1043, all these appropriations use funds from the state Coronavirus Relief Fund (CRF.) The CRF is funded through the federal CARES Act and can only be used to pay for new expenses as a result of COVID-19.

SL 2020-4

HB 1043 / 2020 COVID-19 Recovery Act

- \$118.1 million in Child Care and Development Block Grant funds from the federal CARES Act to the N.C. Division of Child Development and Early Education (NCDCDEE)
- \$19 million to the NC Department of Health and Human Services (NCDHHS) for a wide variety of uses, including child-care response

SB 808 / Medicaid Funding Act

SL 2020-88

• \$20 million to NCDCDEE for child-care response

HB 1105 / Coronavirus Relief Act 3.0

- \$35 million to NCDCDEE for operating grants to child-care programs
 - \$8 million to NCDCDEE for assistance payments to parents for remote learning
 - \$20 million to NCDHHS for a wide variety of uses, including childcare response

More resources

- Special data requests to the NC Division of Child Development and Early Education from the NC Early Education Coalition. Numbers and expenditures for providers are based on aid provided during summer 2020, and are therefore a conservative estimate since more child-care providers have since reopened.
- https://www.ncleg.gov/Sessions/2019/Bills/House/PDF/H1043v7.pdf
- 3 https://www.ncleg.gov/Sessions/2019/Bills/Senate/PDF/S808v8.pdf
- https://www.ncleg.gov/Sessions/2019/Bills/House/PDF/H1105v7.pdf

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