



## State of New Jersey

DEPARTMENT OF HUMAN SERVICES  
DIVISION OF FAMILY DEVELOPMENT  
PO BOX 716  
TRENTON, NJ 08625-0716

PHILIP D. MURPHY  
*Governor*

SHEILA Y. OLIVER  
*Lt. Governor*

SARAH ADELMAN  
*Acting Commissioner*

NATASHA JOHNSON  
*Assistant Commissioner*

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Dr. Ellen Wheatley, Ph.D.  
Acting Director, Office of Child Care  
Administration for Children and Families  
U.S. Department of Health and Human Services  
Mary E. Switzer Building, Fourth Floor, MS 4425  
330 C Street, S.W., Washington, DC 20201

RE: New Jersey's Proposed Spending Plan Coronavirus Response and Relief Supplemental Appropriations (CRRSA) Funds

### **Background**

Over the past year, New Jersey, similar to what is occurring nationally, is seeing reduction of child care providers. This crisis has devastated an already fragile child care industry that was struggling to remain viable and sustain high quality. Therefore, from the onset of the COVID-19 crisis, New Jersey employed strategies and initiatives to support families in an effort to stabilize the child care sector.

With the CARES Act funds, New Jersey invested in emergency child care services for front-line and essential workers. The subsidy payment was tripled for providers designated as emergency centers. Health and safety grants were also made available for them to obtain the necessary supplies to meet new health and safety standards.

The progression of this health crisis has advanced to economic challenges for families, and in response, policies and payment practices were modified to support and ensure eligible families remained eligible for child care. To minimize financial hardships, the Department of Human Services/Division of Family Development (DHS/DFD) continued to pay providers who were temporarily shut down, as they reopened and had to address issue of decreased enrollment and reduced capacity to meet the social distance policy.

Coupled with the fiscal impact created by COVID-19, providers and families were also impacted by the school districts having to shift to remote learning. Families needed help with supervision of care, while they worked. Simultaneously, centers needed resources and support to ensure the well-being and safety for children and staff.

Through the Coronavirus Relief Fund (CRF), DHS/DFD made full-time assistance available for school-age care for subsidy and non-subsidy families. Provider stabilization grants were also made available for child care centers and family child care providers, as well as supplemental payments for all subsidy providers.

The longevity of this pandemic has contributed to the volatility of providers, along with low and fluctuating enrollments. DHS/DFD recognizes that this cycle of reopening and closing and revenue loss has severely crippled the child care industry, which has negatively affected families who already face inequalities and access to high quality child care. DHS/DFD plans to use the Coronavirus Response and Relief Supplemental Appropriations (CRRSA) funds to implement strategies to 1) continue to stabilize the child care sector; 2) make child care more affordable for families to access quality care; and 3) invest in activities to safeguard and improve the overall development and well-being of children.

## **How CRRSA Funds will be Used**

DHS/DFD will continue to extend existing family support and provider stability initiatives through the end of the school year, utilizing Coronavirus Response and Relief Supplemental Appropriations (CRRSA) funds. In addition, DHS/DFD plans to roll out supports for summer youth camp, invest in technology to deal with a remote working environment; launch activities to strengthen business practices of the providers, support the workforce in their efforts to work under these dire conditions, and invest in services to evaluate COVID impact on the child care system.

**The following are CRRSA COVID-related child care initiatives:**

### **Supporting Families – Direct Services (Subsidy) and Child Care Provider Support**

- **State Child Care Subsidy School-Age Care:** Extending state child care subsidies for child care during the school day for school-age children 5-to-13 years old. Under this initiative, school-age children are eligible for state subsidy funding for child care services throughout the school day at licensed child care centers or registered family child care providers.
- **Co-payment Waiver - School-Age Care**
- **New Youth Camp Assistance Grant** - discussion is underway to support families interested in sending their child to summer youth camp.

### **Supporting Child Care Centers**

- **Supplemental Payment** - Continuing to pay child care providers a supplemental payment of \$300 per child, per month for full-time care and \$150 per child, per month of part-time per of part time care for subsidy-eligible children, including infants, toddlers, preschoolers and school-age children.
- **Enrollment** - Continuing to pay child care providers based enrollment for children who receive state assistance in their program, rather than attendance.

## **Implementation of virus mitigation policies and practices**

DHS/DFD will continue to utilize quality partners and coaches to provide training, technical assistance and consultations to providers to help them meet new, revised and enhanced health and safety standards established by New Jersey's regulatory entities and the Department of Health :

- **Training, Technical Assistance (TA) and Health Consultation**
  - Training, TA and consultants on newly created Guidance for New Jersey Child Care Programs on COVID-19 Related Health and Safety Requirement Implementation
  - Continue to develop new webinars COVID-19 Related Health and Safety Requirement
- **DHS/DFD Policies**
  - Revising policies to align with new health standards
  - Creating provider handbook
  - Looking into creating an online policy publishing system

**CRRSA Funds for Frants or Assistance (other than subsidies) to Stabilize and Motivate Recruiting New Child Care Providers**

Discussions are underway to determine what type of continued support and services will be provided to non-subsidy providers.

- All providers were eligible to apply for stabilization grants (up to \$17,000) to obtain the necessary supplies, materials, equipment and service in effort to keep them viable and meet health and safety standards. This initiative is still occurring.

DHS/DFD understand that child care is crucial to a strong economy, and that quality child care is crucial to strong childhood development. With these investments, we are giving families and child care providers' vital support during the ongoing pandemic.

Sincerely,

/s/

Margaret Milliner  
Assistant Director Child Care Operations