



The Our American States podcast—produced by the National Conference of State Legislatures—is where you hear compelling conversations that tell the story of America’s state legislatures, the people in them, and the policies, process and politics that shape them.

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COVID-19: State and Federal Responses to Education and Child Care | OAS Episode 89 | April 6, 2020

Hello and welcome to “Our American States,” a podcast from the National Conference of State Legislatures. On this podcast, we’re all about legislatures: the people in them, the policies, process and politics that shape them. I’m your host, Ed Smith. Thanks for joining us.

Today we’re continuing with our new series of podcasts focused on how states are responding to the corona virus pandemic. These podcasts are just one of many new resources NCSL has assembled to serve and support legislators and legislative staff during this unprecedented time.

NCSL also is presenting a webinar series looking at public health responses, workplace issues, education and child care, the economy, elections, and continuity of government. You can find links for these webinars and view archive versions, along with links to a wide range of other resources, at www.ncsl.org/coronavirus.

We’re going to focus today on education and child care, two areas that have seen widespread disruption during the pandemic.

Our first guest is Austin Reid, Director of NCSL’s education committee and an expert on federal education policy. Later in the show we’ll talk with NCSL’s Jeni Palmer about child care issues.

Austin, Welcome to “Our American States.”

Austin: Thanks, I’m happy to be here.

Time Marker (TM): 01:29

Ed: So, Austin, Congress just passed a 2-trillion-dollar stimulus package last week. How much of that money goes to education?

Austin: So, the stimulus bill, which is otherwise known as the Coronavirus Aid, Relief and Economic Security Act, provides about 31 billion dollars for K12 and higher education, and that 31 billion is split three ways. First, about thirteen and a half billion dollars goes to states for K12 schools, which can be used in a variety of ways to respond to the coronavirus emergency.

A school district could use funds to purchase technology for education, clean and sanitize school buildings, and just generally address learning challenges for students with unique learning needs.

Then the stimulus bill sends a little over 14 billion dollars directly to colleges and universities, and at least half of this money must be used to provide emergency aid to students who have had their semester disrupted by the Covid-19 emergency.

And then finally, there's a 3-billion-dollar governors' fund which can be used for early education, K12 and higher ed at the direction of the governor.

Some have pointed out that this education stabilization fund provides far less money to states for education than the American Reinvestment and Recovery Act, which was the stimulus package that was passed during the Great Recession. I think it's worth noting that these funds for this stabilization package are intended to help schools immediately respond to education needs during the Covid-19 outbreak rather than offset any anticipated revenue declines in state and local funding for schools.

There is anticipation that another stimulus package will come along to compensate for decreased state and local funding for education.

TM: 02:59

Ed: Almost every state has temporarily closed schools and many states are now using distance learning or virtual learning to educate their students. How are states and schools responding to this new mode of education?

Austin: At last count, nearly every state has closed schools indefinitely and there's a growing number that have closed schools for the remainder of the year. Given these disruptions, almost every state has also received a waiver from the federal government from federally mandated testing that takes place every spring.

However, many, if not most of the districts that are closed, are continuing to educate their students through a distance or virtual learning model. Schools are attempting a pretty remarkable transition right now. For most of our country's history, education has happened in a brick-and-mortar building, and now we're trying to educate students through e-learning, and we're trying to make this transition in a matter of days and weeks.

And so, as you can imagine, the transition has posed a number of challenges. First, there are many students who don't have access to a computer or a reliable high-speed Internet connection. And even if students have computer and Internet access, there are a number of challenges with delivering instruction.

Whether students and teachers can effectively interact on the portals and platforms really varies from district to district, but even classroom to classroom.

TM: 04:10

Ed: So, we also have students with some unique learning needs. How is this transition to distance learning affecting them?

Austin: Right. These challenges particularly affect student populations with unique learning needs such as English language learners and especially students with disabilities. Even before this outbreak, every district faced challenges with providing equitable education for these students, and there are a number of concerns that the virtual modeling of schooling during this outbreak could compound these challenges.

I think right now how to serve students with moderate to severe disabilities, those who rely on hands-on assistance from teachers and aids, is really the biggest challenge that's facing districts. And there's not really a well-defined playbook on how to provide education to these students through distance learning. And districts are afraid that good faith efforts to do this might put them out of compliance with the Individuals with Disabilities and Education Act, which is the federal civil rights law that guarantees a free and appropriate education to every student.

In mid-March, the Department of Education issued guidance that said if a district continued to provide instruction to all students through an e-learning model, it must provide equal access to that learning for students with disabilities. However, in light of this guidance, there were reports that some districts were considering keeping their schools completely closed for fear that they couldn't provide a free and appropriate education to students with disabilities in a virtual learning environment.

So then, a couple of weeks ago the department issued supplementary guidance that clarified that districts should not delay their distance learning plans for students altogether if they feared that they were violating IDEA. The guidance suggested that there were approaches that would comply with the law during these circumstances but didn't provide a lot of details as to what specifically those approaches look like.

So, where we stand right now is that the education community is collaborating on potential best practices to serve students, and states are attempting to issue their own guidance for schools on how to best serve students with disabilities.

There is also a push in some places for broader waivers from IDEA so that districts can move forward serving those students without fear of penalty or litigation. But those in the disability rights community are concerned that such waivers would lead to poor service for the students with disabilities.

TM: 06:19

Ed: I think you touched on this before, but given all these disruptions, are students going to have to take these year-end assessments that we know they all do at this time of year?

Austin: The answer is mostly no. Now, there are federally required state assessments and then there are state assessments that are required by the state. For those assessments that are required by the federal government, most states have received a waiver from having to give those tests this spring. And in most cases, state governments have also issued waivers for students from state assessments, and oftentimes the state and the federal assessments are the same, but sometimes they're separate.

But by and large, it is unlikely that students will have to take either federal or state assessments this spring.

TM: 07:01

Ed: So, we've been focusing on K12, but we know that college students have had their semesters disrupted as well. Most students have had to leave campus in the past few weeks to finish their semester through virtual learning.

Does the stimulus bill provide any support for college students, especially those who rely on student housing and campus support?

Austin: Right. Over the last few weeks, millions of students have left their campuses and are completing their semesters online. This has been disruptive for every student, but especially for students whose only place of living is through campus housing. And even during a healthy economy, there are numerous students that face food insecurity and access to affordable child care.

The stimulus bill does provide support for college students. As mentioned earlier, each college and university will receive funds from the stimulus and at least half of those funds have to be spent on emergency aid for students. And this emergency aid can include anything under a student's cost of attendance. So that can include food, housing, course materials, technology, healthcare, and child care.

Students will be able to access these funds through their college or university, although the timeline for accessing those funds hasn't been clarified yet. But we might expect some guidance from the Department of Education soon.

Additionally, the bill does not require students to pay back their federal student loans or Pell grants if they have withdrawn from courses this semester due to the Covid-19 emergency.

All these supports are pretty important, especially since students who are claimed as dependents won't be able to access the direct payments to individuals that the stimulus has authorized. Typically, students who are under the age of four are considered dependents in the eyes of taxing authorities if their parent pays for at least half of their expenses.

TM: 08:35

Ed: So, on the topic of student loans, this is a big issue we know – we did a podcast on this topic just a few weeks ago – more than 45 million Americans owe more than 1.5 trillion dollars in student loans, a staggering number. And some experts believe that debt is going to drag on the economy during good times.

Does the stimulus bill provide any help in that area?

Austin: Yes. So, the headline is that student loan payments and interest have been waived or deferred on federally held student loans through September 30th of this year. And that covers the vast majority of borrowers, although it excludes students with private student loans as well as federal debt that's held by private lenders, which would include the federal family education loan program that was discontinued in 2010, and federal debt that's held by colleges and universities, which would include the federal Perkins loan program for low-income students.

While payments are deferred, however, each month during the payment deferral period will still count towards loan forgiveness programs for borrowers and public service jobs, income-driven repayment plans, and student loan rehabilitation. Additionally, these deferred payments will still be counted as if they were made to credit reporting agencies during this deferral period.

Even though the payments have been automatically deferred, borrowers may still continue to make payments towards their principal and, again, the interest on these loans will not accrue or capitalize during this deferral period.

The stimulus bill has also suspended collection actions and penalties for borrowers with defaulted federal student loans through September 30th as well. The waived penalties include wage garnishment, tax refund reduction, or any reduction of a federal benefit including Social Security benefits.

And then finally, the stimulus bill has allowed companies to pay up to \$5,250 of their employees' student loan payments on a tax-free basis through December 30th of this year.

Ed: Well thanks, Austin, this has been a fascinating conversation on certainly a fast-moving target. I'm sure there will be plenty of changes yet ahead.

TM: 10:37

Ed: Is there anything else you'd like to share with our listeners before we wrap up?

Austin: I just want to let listeners know that NCSL will continue to follow any federal developments on any policy, particularly education, and should visit our website at ncsl.org for more up-to-date information on the latest federal responses to the Covid-19 emergency.

Ed: Thank you, Austin. We'll be right back with NCSL's Jeni Palmer to talk about how child care has been affected by the coronavirus pandemic.

MUSIC

Ed: Welcome back. Now we're going to talk with Jeni Palmer, a policy associate with NCSL who covers a wide range of early childhood topics. Jeni, welcome to "Our American States."

Jeni: Thanks, Ed, happy to be here.

TM: 11:31

Ed: So, Jeni, millions of parents have lost their child care during this pandemic and are trying to work from home. But as extreme as this situation is, as I understand it, many families have trouble getting child care in the best of times. Why is that?

Jeni: Well, families needing care for their children between the ages of 0 to 5 face a number of challenges, and when we say child care, we mean both center-based care and in-home care or family child care providers who actually make up the majority of providers in our country.

So, what families are facing, number one, is availability. So, in nearly all parts of the country, both urban and rural, there is a serious shortage in supply of child care providers, or in some cases just available enrollment opportunities.

So, this can lead to wait lists for families or potentially families utilizing care that is of lower quality, perhaps operating outside of the state's licensing system, which means it might not be adhering to the recommended health and safety standards, and that children are less likely to benefit from healthy growth and development that we know comes from high-quality early care and education opportunities.

The second issue is cost. Care for children under the age of 5 is frankly just unaffordable for many families. The cost can really vary based on where you live and the age of your child, infant care being the most expensive.

But for many families, child care is a significant portion of their household income, in many cases at least 10% of just the household income for married couples for just one child. It could be up to 36% of household income for a single parent. So, there is no state in the country which meets the U.S. Department of Health and Human Services definition of affordable child care, which is 7% of income.

And low-income families face an added challenge. They could qualify for child care assistance or subsidies, which is funded through state dollars and federal child care development block grant funds. But the funding for those subsidies really falls short of the need, with about only one in six or one in seven families who are eligible for such assistance actually receiving it.

So those two issues, availability and affordability, are really at the heart of the child care crisis in this country.

TM: 14:08

Ed: So, how about the child care providers themselves – what kinds of challenges were they facing even before this pandemic?

Jeni: Great question. So, despite those of us with young kids who feel that the price tag for child care is very high, the fees we pay don't really match what is needed by providers to provide high-quality care. There is a labor-intensive field in which the cost of staff makes up the majority of their budget.

In order to meet licensing requirements around adult/child ratios and ensure the safety and learning of our young children, you can't scrimp on teachers. It's not like other industries where you could automate or cut back on nonessential staff. You need qualified and supported educators and care providers in the room.

Furthermore, most child care providers are small business owners, maybe self-employed, and they're almost entirely reliant on parent fees or tuition to cover their costs. For families using child care assistance, the amount that they receive is even lower than what they might get from private pay parents. It's just a really unsustainable business model.

So that ends up meaning poverty level wages for many providers. The average hourly wage is only \$11 an hour. Nearly half of all child care providers are enrolled in some sort of public assistance program like SNAP or what we used to call food stamps. Many don't have access to benefits like retirement savings or paid sick leave, which has implications for the crisis we are in right now.

TM: 15:50

Ed: So, that was the situation before this unprecedented situation we are facing now. So, what's happening to that whole system now?

Jeni: Well, right now we're seeing millions of people lose their jobs or have their hours reduced, which means many parents are going to be unable to continue to pay for child care. For providers, that loss of income could mean the permanent closure of their business.

And as I was just saying, they operate on such thin margins and are so dependent on parent fees that as many as 30% reported... this was a recent nationwide survey by the National Association of the Education of Young Children... 30% said they would not be able to survive weeks-long closures without some sort of support or outside investment.

For parents, this means they could end up losing their child's spot with that provider, or worse, that their provider goes out of business, which means when they do return to work, they'll have to start their child care search all over again. This, of course, also has implications for the young children who have built relationships with their teachers and care providers, which we know is the foundation for learning in the early years.

TM: 17:07

Ed: I understand that child care providers are being asked to stay open in some circumstances even though K12 schools are largely closed. That seems counterintuitive to me. Can you explain that?

Jeni: Sure, good question. This is the case in most states and the reason for that, at least in some states, is that they are considering child care as part of essential services that may remain open even in a state with stay-at-home orders. And that's to ensure that parents who need to work or are still required to work have access to child care.

At this time, we know of at least 13 states that have directed child care providers to close, with exceptions made for those providing care to the children of essential workers.

TM: 17:52

Ed: So, what are states doing to help support those child care providers who remain open during the crisis and in many cases are helping out the essential workers?

Jeni: Most states' providers are being given guidance on new health and cleaning standards. Some states are implementing new restrictions on the number of staff or children that can be in attendance or within one room. Other requirements or standards that are being considered might mean parents can't enter the building and they have to meet the teacher at the curb, or children's temperatures are being taken before they're allowed to enter.

States are also working to ensure that providers have access to essential supplies. We've all seen the toilet paper shortage on the shelves at the grocery store. There's also a shortage in diapers right now, so things like diapers, formula, milk and, of course, those cleaning supplies that they need to meet new requirements.

The other thing is that many states are taking advantage of the flexibility offered right now under that federal child care development block grant, and using those funds to pay providers based on enrollment instead of attendance, and that's to help ensure that those providers can weather the storm and have enough income to avoid closing permanently.

TM: 19:11

Ed: Now, how about the other side of that coin – for the folks who are considered essential workers: healthcare workers, law enforcement, military personnel, grocery store workers and many others – what are states doing to try to help those folks out with their child care needs?

Jeni: Well, we've seen a few states conduct surveys or partner with hospitals or other organizations to first identify who the essential workers are in need of care, and as you said, every state is sort of defining essential workers a little bit differently. Some are even including child care providers or early educators in that definition because, of course, you may not be able to go to work to care for some other person's child if you yourself are in need of care for your child.

So, once those workers have been identified, some states have then set up networks or tapped into existing networks like child care resource and referral agencies to connect essential workers to existing licensed child care providers who might have openings because other families are keeping their kiddos home.

Other states are setting up emergency care centers just for children of essential workers in currently unoccupied spaces like a YMCA or K12 school. Other states are making some temporary changes or expediting parts of their child care regulations and licensing procedures to bring on new providers quickly.

And states are also providing financial assistance to essential workers who need that care, in some cases covering the full cost, or offering bonuses to providers who prioritize essential workers. And with the passage of the most recent federal legislation, the Cares Act, states will

soon have more money to use for that purpose to meet the child care needs of essential workers.

TM: 21:03

Ed: Well, Jeni, it sounds like this is going to continue to be a significant challenge to parents and to states, even after this crisis is over. Is there anything else you'd like to share with listeners before we wrap up?

Jeni: I just think this is an issue that affects so many of us, even if you don't have young children. It has implications for businesses and employers and really our states' economies. I think that this crisis is an opportunity for all of us, including legislators, to evaluate the system that we've created that leaves working parents and the caretakers of our youngest children in such an untenable position.

If you think about it, child care really is the backbone of our economy. The child care providers are the workforce behind the workforce. So I think we have a unique opportunity right now, especially with the incoming federal dollars, to support child care providers who may need assistance navigating the process of accessing things like paid leave and small business loans for the first time, so that we can ensure that this industry that is so essential to our economy and to the healthy development of our kids, that it still exists after this crisis passes, and is sustainable in the long run.

Ed: Well, Jeni, you've given us a lot to think about. I really appreciate you taking the time to talk with me. Take care of yourself.

Jeni: You bet. Thank you, Ed.

Ed: And that concludes this edition of our podcast. We encourage you to review and rate our episodes on iTunes, Google Play or Spotify. You may also go to Google Play, iTunes or Spotify to have these episodes downloaded directly to your mobile device when a new episode is ready. For the National Conference of State Legislatures, this is Ed Smith. Thanks for listening and being part of "Our American States."

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