# Fiscal Facts: Wisconsin’s child care sector needs care itself

COVID-19 health concerns and restrictions have produced considerable turmoil in Wisconsin’s child care sector, which will play a critical role in efforts to fully re-open the state’s economy. Financial losses and the potential permanent closure of child care centers could exacerbate longstanding challenges with access to quality care and may require intervention by policymakers to ensure adequate support for providers, families, and employers.

As of May 19, 39% of Wisconsin’s 4,500 child care providers had self-reported to the Wisconsin Department of Children and Families that they were closed. Three weeks earlier, the agency reported similar figures and estimated that such closures had affected at least 57,000 children and more than 12,000 child care employees.

While the gradual reopening of the state’s economy likely has changed the picture somewhat, finding quality child care was already difficult before the pandemic, especially for low-income families. As more businesses restart and greater numbers of employees return to onsite work, the impacts of COVID-19 on childcare compounds an already significant issue for a functioning economy, affecting families, providers, and employers.

To help ensure adequate child care is available in the state, Wisconsin is receiving $51.6 million in emergency federal coronavirus aid to support providers who remained open to care for children of essential workers. This initiative, which offers incentive pay for child care workers and support for temporarily closed providers, had distributed $46.9 million — 90% — to 2,635 providers, as of June 29.

Advocacy groups have questioned whether enough money has been set aside, and what will happen to providers when the federal funding runs out. While this initial support may help, as policymakers review the impacts of the pandemic, they might consider additional relief measures to ensure an adequate supply of high-quality child care for Wisconsin families going forward.

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