



# Resources to support Child Care Programs through the COVID Crisis

## Child Care Subsidy

These provisions apply to any providers currently accepting subsidy payments from the state of Missouri.

- To help lessen the impact of child care closures or loss of attendance due to COVID-19, DSS has determined that subsidy providers will make no less for March 2020 than they did for the average of the prior three months (December '19, January-February '20). We expect the department to extend similar benefits for the remainder of the crisis, but this applies only for March at present. To receive these payments, providers must complete the [Attestation for COVID-19 Provider Payment Consideration](#). Payment is contingent on:
  - o The provider continuing to pay wages to child care staff while facility is closed
  - o The provider continuing to provide care following the State of Emergency declared by Missouri Executive Order 20-02; and
  - o The provider submitting all attendance for the March 2020 service month.

[Read the full notice to providers from DSS on subsidy payments.](#)

- DSS has also made [changes to some subsidy payment policies](#), including payment for units above authorized amounts, payment of additional absences, and payment due to facility closure. Some cases will require a case-by-case review for approval.
- Provider application renewals have been extended by 90 days.

## Licensed Child Care

- Licensed Child Care Subsidy provider agreements are extended through July 31, 2020.
- Emergency licenses are being issued to increase child care capacity for essential workers.

## Small Business Loan Information

- **\*Emergency Economic Injury Disaster Loans (EIDL) and grants:** This is an existing SBA program that was expanded by the CARES Act and is available for small businesses (>500 employees), nonprofits and sole proprietors. EIDL provides a \$10,000 advance to applicants that do not need to be repaid (therefore, they function as a grant). [You can certify your eligibility and apply here.](#) These loans will be available until December 31, 2020.
- **\*Paycheck Protection Program (PPP):** This is a new program as part of the CARES Act and includes forgivable loans for small businesses (<500 employees), nonprofits, and sole proprietors. Religiously-affiliated programs or childcare centers could also qualify to cover payroll costs. This allows borrowers to borrow up to 2.5 times their average monthly payroll and is intended to cover up to 8 weeks of payroll expenses and other business costs, like mortgage or rent and utilities. If borrowers meet all the criteria and only use funds on eligible expenses, the loan is forgivable

- It is available up to June 30, 2020, but funds are capped at \$349 million. If you are interested in applying, we urge you to contact a banker or lender that you already have an established account with for assistance.
- Sole proprietors and self-employed child care providers need to have their 2019 taxes filed (not paid) in order to apply for the PPP program.
- PPP loans are accessed through a bank or qualified lender. Start with your bank, as most are not issuing loans to new customers. If you need a bank, [visit the SBA website for qualifying locations](#).

***\*The SBA is not accepting additional applications for these loans at this time, due to lack of funding. The President is set to sign legislation to fund additional loans as of 4/24/2020, after which case the loans will reopen.***

- You can also find local help navigating various business support programs [through the Missouri Small Business Development Centers \(SBDCs\)](#) in your area or through the [Small Business Administration](#).

## **Tax Credits and Relief Programs**

- **Employee Retention Tax Credit:** This offers payroll tax relief for organizations that have been impacted by COVID-19 and retain their employees through the duration of the crisis. All employers are eligible, regardless of size, including tax-exempt organizations, but if you receive a small business loan, you do not qualify for the credit. The amount of the credit is up to 50% of qualifying wages paid up to \$10,000 in total, and includes wages paid between March 12, 2020 and January 1, 2021.

### [Information on the Employee Retention Tax Credit](#)

- **Tax credits for paid sick and expanded family and medical leave for COVID-19:** This allows full reimbursement: This programs allows employers to claim tax credits to cover the costs of paid sick leave related to COVID-19, or family leave of up to 10 weeks to account for day care and school closures. There is an exemption for small businesses with under 50 employees, if providing such coverage would jeopardize their business. Self-employed individuals will also be able to claim such tax credits on their individual return.

### [Information on Coronavirus-related paid leave for staff and how to access the tax credits](#)

- **IRS People First Initiative:** For individuals or businesses currently facing tax issues or on an installment plan to repay back taxes can also get relief at this time. Payments on current installment agreement are suspended from April 1, 2020-July 15, 2020.

### [Information the IRS People First Initiative, for those currently facing tax issues or on an installment payment plan](#)

## **Additional Resources**

[CDC Guidance for Child Care Programs that Remain Open](#)

[Child Care Aware of America Coronavirus Hub](#)

[Economic Injury Disaster Loan \(EIDL\): What Child Care Programs Need to Know \(NAEYC\)](#)

Updated: 4/24/2020

[First Five Years Fund Breakdown of small business supports in the CARES Act](#)

[First Five Years Fund Breakdown of PPP](#)

[Missouri Budget Project's Breakdown of all economic relief provisions in the CARES Act](#)

[Paycheck Protection Program: What Child Care Programs Need to Know \(NAEYC\)](#)

[Watch recorded webinar from NAEYC: "Paying Yourself, Your Staff, and Your Bills: Helping Child Care Programs Understand and Navigate SBA Loan Options"](#)