

Financial Assistance for Family Child Care Providers during Covid-19



California Child Care Resource & Referral
NETWORK

**Please note that information is changing rapidly. For the most current information visit the government websites that are linked through out this article.*

Pandemic Unemployment Assistance is available to those not traditionally eligible for unemployment benefits (**self-employed, independent contractors, those with limited work history, and others**) who are unable to work as a direct result of the coronavirus public health emergency.

From the Child Care Law Center:

How do I apply for Pandemic Unemployment Assistance?

You can apply for Pandemic Unemployment Assistance by filing a claim online or by phone with the Employment Development Division (EDD). [Here](#) is a link to find the online application for benefits. The online application is also available [in Spanish](#). As of April 1st, the online application for Pandemic Unemployment Assistance is not yet up on the EDD website. Family child care providers will not be able to file a successful claim until the application is modified to include self-employed individuals, but filing a claim protects your date of filing, so it is important to do this.

During this coronavirus epidemic, California has temporarily waived the normal one-week waiting period that you would usually have to wait before being eligible for unemployment benefits. In addition, the usual requirements that you be “able and available for work” and actively searching for work are temporarily suspended.

To contact a UI representative by phone:

- English: 1-800-300-5616
- Spanish: 1-800-326-8937
- Cantonese: 1-800-547-3506
- Mandarin: 1-866-303-0706
- Vietnamese: 1-800-547-2058
- California Relay Service (711): Provide the UI number (1-800-300-5616) to the operator
- TTY: 1-800-815-9387

Representatives are available 8 a.m. to 12 noon (Pacific time), Monday through Friday, except [state holidays](#). For more information, visit [Contact UI](#).

[Here](#) is a fact sheet from EDD with general information about Disaster Unemployment Assistance. EDD is experiencing a large increase in the number of new claims so there are delays in processing them. Also, [here](#) is a general fact sheet from the National Employment Law Project (NELP) about expanded Unemployment Insurance benefits available through the federal CARES Act.

For more UI information, please visit the [Child Care Law Center](#) and scroll to #9.

SBA (U.S. Small Business Administration) Forgivable Loans expand eligibility for small businesses to include 501(c)(3) nonprofits and those who are self-employed or independent contractors (including family child care home operators). These loans are provided through banks but are forgivable (-so they don't need to be paid back) and many of the typical requirements to qualify, are waived.

Family child care providers are encouraged to apply for the [Paycheck Protection Program](#) right away as funds are limited and loans are granted on a first come, first served basis. To see what information is needed, here is what the application looks like: [Paycheck Protection Loan Application](#)

To know how much you should request, add up your payroll for a year. This includes how much you pay any employees (if you have any), plus what you pay yourself (your net business earnings). Let's say that total is \$50,000. Divide that amount by 12 and you get \$4166.66. Multiply this number by 2.5 (which is for the two and a half months of pay the loan will cover). The amount you would request in this case is \$10,416.66.

You must document that you spend the funding on paying wages, paying your rent/mortgage, utilities, etc. The loan will not be forgiven if you do not retain or rehire employees at the same rate of pay (these can be new employees that are hired at the same rate).

You can apply for this loan at almost any bank or credit union. Banks are working now to get the program ready, so you should check your bank's website or call them.

Technical assistance on SBA loans:

Small Business Development Centers (SBDCs) at <https://americassbdc.org/small-businessconsulting-and-training/find-your-sbdc/>

Women's Business Centers (WBCs) provide multilingual services, offer flexible hours (including evenings and weekends) and can be located at <https://www.sba.gov/local-assistance/find/>

Minority Business Development Agency (MBDA, Department of Commerce). The Minority Business Development Agency (MBDA) Business Center Program operates throughout the country to expand access to capital for minority business owners. A list of MBDAs can be found at <https://www.mbda.gov/businesscenters#4/34.0 5/-111.95>

Peter Holtz, a certified public accountant (CPA) who is experienced with the business aspects of family child care, is hosting live Q&A sessions weekdays at 5:00 pm on Facebook, which are also available as a recording. He is addressing unemployment questions, SBA loan questions, and items related to money and your business. <https://www.facebook.com/PeterHoltzCPA/>

Grants for FCCs and other providers:

Tip: Search for local grants in your area through small business centers, and local government websites.

The National Domestic Workers Alliance is offering limited grants for child care providers; look for the "APPLY" button here: <https://www.domesticworkers.org/>

Relief funds for undocumented workers in California
<https://docs.google.com/document/d/1IsPLuHoYK6ec7Gzxaw0i7On-NT1Z9IEj/preview>