

# State Implementation of Federal Relief Funds for Child Care

## How to Advocate for Providers, Children, and Families

by Lynette M. Fraga and Diane Girouard

With the availability of another round of federal relief funds, states have a critical opportunity to think about what policies are most effective in supporting providers, children and their families in the short- and long-term. As states consider which policies to introduce or extend, they must consider two things: how can they best support the stability of the sector now during the pandemic, and which

policies will allow for sustainability after COVID-19 is no longer a threat.

Nearly \$10 billion in funding dedicated to child care was made available under the Coronavirus Response and Relief Supplemental Appropriations Act of 2021, which was passed by Congress in December 2020. In March 2021, an additional \$39 billion in relief was provided through the American Rescue Plan Act, which included \$15 billion for the Child Care and Development Block Grant and \$24 billion for a child care stabilization fund.

Like the first round of federal assistance in March 2020, recent funds made available through the Child Care and Development Block Grant intend to provide relief for child care from challenges exacerbated by COVID-19. These funds may retroactively reimburse expenses related to the pandemic.

The December funding law made two requirements that states must follow: (1) state agencies must make information widely available and provide technical assistance to all types of providers regarding the new funds; and, (2) some funds must be made available to providers that were not receiving

CCDBG funds prior to COVID-19 for supports to maintain or reopen programs.

States have a great deal of flexibility in how they use their funds, but the December 2020 law specifically highlights the following policies that states are encouraged to enact in order to drive funding toward:

- Providing child care assistance to essential workers without regard to income eligibility requirements;
- Providing payments and assistance to providers in cases of decreased enrollment or closure;
- Paying for fixed costs and increased operating expenses;
- Paying the salaries and wages of staff;
- Providing funds for cleaning and sanitization related to the COVID-19 health emergency;
- Delivering technical assistance to help child care providers implement practices and policies to provide safe child care, in line with guidance



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from local, state, and federal public health agencies; and

- Supporting other current allowable CCDF program activities, such as covering family copayments and tuition, and delinking provider reimbursements from a child's absence.

These historic federal investments in child care have the opportunity to lay the foundation for transforming the sector in big, bold ways. As states begin to consider how to use these funds, they must determine which child care policies will have the most long-term impact for providers and families, in addition to stabilizing and preserving the existing system now. States will need to adopt or extend policies based upon their own unique needs, but should implement policies that provide financial and health supports for providers, children and their families and child care resource and referral agencies, now and in the future.

To ensure that relief money from both new laws is spent well, active engagement will be critical. Advocates, including child care programs and CCR&R agencies, should continue to amplify the challenges and needs of

child care providers and families to their state policymakers, and should continue to explain why long-term investment is needed more than temporary changes.

State decisions should also be informed by relevant data regarding the current needs of the child care system, including data that reflects issues relating to access, affordability, and provider costs for all families and child care settings. Advocates can suggest that state agencies gather feedback from providers and families through surveys, formal hearings, or more informal stakeholder meetings or listening sessions that include governors, state administrators and legislators.

Child Care Aware® of America has compiled examples of effective policies that states can implement to support providers, children and families, and CCR&Rs. Advocates can share these strategies with their lead state agency staff and policymakers to consider implementing with new rounds of federal funding (see link to blog post in the Resources section).



### Resources from Child Care Aware® of America

Federal Relief Funds: Policy Considerations for States in 2021

<https://info.childcareaware.org/blog/federal-relief-funds-policy-considerations-for-states-in-2021>

Transforming Child Care: Cross Community Voices to Inform Change

<https://info.childcareaware.org/transforming-child-care-cross-community-voices-to-inform-change>

Advocacy resource page

<https://www.childcareaware.org/our-issues/advocacy/>