Bipartisan Policy Center

State by State Use of CARES Act Supplemental CCDBG Funds

As of June 11, 2020

On March 27, 2020, the Coronavirus Aid, Relief, and Economic Security Act, or CARES Act, was signed into law. It included $3.5 billion in supplemental appropriations for the Child Care and Development Block Grant to prevent, prepare for, and respond to the coronavirus. This funding represented a 60% increase in total discretionary appropriations for fiscal year 2020, which amounted to $9.326 billion.

In general, this funding was to be administered through the CCDBG program, and therefore, the underlying program requirements applied. However, as previously detailed, Congress included additional flexibility for states to use the supplemental funds to support families in the greatest need, specifically essential workers with children, and so programs could access funding to respond to the difficulties caused by COVID-19.

This flexibility was important to respond to the crisis through the summer: a survey conducted by Morning Consult for the Bipartisan Policy Center in April 2020 found that 60% of providers had temporarily closed, and nearly two-thirds of parents who still needed child care were having difficulty finding it. Further, about half of parents surveyed said they were concerned their provider would no longer be open when they were able to return to work and their child would need care. A survey by the National Association for the Education of Young Children of providers found these concerns were justified as just 11% of providers believed they could survive the crisis without financial support.

By applying these additional flexibilities to the funds provided in the CARES Act, Congress afforded states greater leeway in quickly spending the money and supporting both families and child care providers throughout the summer. Most states responded by spending a majority of supplemental funds on two goals in line with the CARES Act: supporting the dual needs of frontline workers and child care providers during the crisis, and covering ongoing operational costs of providers that were closed to ensure child care supply remained intact and child care businesses could eventually reopen after stay-at-home orders loosened.

At the same time, the flexibility and latitude Congress provided meant states took a variety of approaches in how they addressed these broad priorities. To better understand how states were using their CARES Act funds for child care, BPC gathered information from a majority of states, including direct stories from several about their use of funds. These plans and stories from March through June, are detailed below.

Alabama

Alabama received $65 million in supplemental CCDBG funds through the CARES Act. The state used funds to offer "sustainability payments" to providers that remained open and participated in the state's subsidy program. These weekly payments were intended to help make up for lost income due to lower capacity levels as required by the state's health orders. Providers received payments representing 50% of children enrolled in a program. Additionally, providers that remained open continued to receive subsidy payments based on attendance, including for school-aged children. Providers that were closed also received sustainability payments to assist with fixed expenses and costs associated with reopening. However, they did not receive subsidy reimbursements.

Beginning in May, parents working in the healthcare industry were able to receive child care assistance, regardless of their income level. Participants were required to select a licensed child care provider, including centers or family homes. The program was to last through the public health emergency, and all participants were given a 20-day notice prior to the program's expiration.

Alabama published separate orders for Early Head Start-Child Care Partnership grantee participants. Providers participating in this program were required to close through May 29, 2020, with a tentative reopening of June 1. During the closures, child care programs were paid their full rate per child, based on the number of contracted slots. Teachers and family care assistants were to be paid, even if they were unable to work. Programs that wished to remain open to provide child care during the emergency were permitted to do so as long as they were in compliance with all state and local guidance and standards, and were not required to meet EHS-CCP standards.

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Alaska

Alaska received $6.4 million in supplemental CCDBG funds through the CARES Act. The Alaska Child Care Program Office used CARES Act funding to offer capacity-building payments in March, April, and May to child care providers who were closed due to COVID-19. Due to high demand for payments, Alaska also utilized an additional $2.6 million of the state's Coronavirus Relief Fund dollars for the program. The payment amounts were based on February enrollment of both private-pay and subsidy recipient families and were available to all providers, regardless of their participation in the state's subsidy program. The goal of the grant program was to support a program's ability to retain staff, purchase necessary supplies, alter operations to accommodate essential staff, pay utilities and rent, and other necessary costs to remain operational or ready to reopen.

The state anticipated this program to last through June 2020 unless other funds became available. Alaska estimated that a total of $10 million was needed each month to cover all payments, which was significantly higher than the $6.4 million allocation from the CARES Act. In June, the state dedicated $10.5 million of the $1.25 billion it received from the Coronavirus Relief Fund to fund the payments intended to cover providers' expenses from April and May expenses.

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Arizona

Arizona received $88 million in supplemental CCDBG funds through the CARES Act. The state used these funds to fully cover child care costs for frontline workers if they used newly established Arizona Enrichment Centers. On May 14, program eligibility was expanded to prioritize child care for the children of grocery store employees and food bank workers.

Licensed providers who wished to stay open were required to register to become an enrichment center, and upon approval, were reimbursed for the full cost of care for children served. Providers were not permitted to charge families additional copays or fees beyond what was provided by the state, as the reimbursement was intended to cover all costs of care during this time. Those participating in this program were required to take the temperatures of all children, staff, and volunteers, and all staff had to have completed background checks. Priority for space was given based on where parents resided and, for health care workers, the location of their hospital or doctor's office. Providers participating in the program could request supplies such as baby wipes, sanitizer, cleaning products, paper products, and water or snacks, on a weekly basis.

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Arkansas

Arkansas received $41.5 million in supplemental CCDBG funds through the CARES Act. The state planned to use an estimated $15 million of the CARES Act funds to increase the subsidy reimbursement rates for child care providers remaining open for children of frontline workers. Specifically, through August 14, 2020, and for each child receiving a federal subsidy through the state, providers received an additional $10 per infant/toddler, $7 per preschool-aged child, and $5 per each school-age child given out of school-time care. The state suspended the renewal process for families, so that all parents who received a subsidy could continue doing so through the pandemic. Arkansas also utilized $18 million of the CARES Act funds to provide short-term child care assistance to essential workers through a voucher paid directly to a qualified child care provider, regardless of that worker's income.

Additionally, an estimated $8 million in CARES Act funds were used to help child care providers cover the costs of cleaning and sanitizing equipment needed to meet required pandemic safety protocols. This one-time payment was available between May 4 and August 31, for licensed providers who remained open, or planned to reopen. Funding amounts were based on licensed capacity and program quality ratings.

In addition to using CCDBG funds through the CARES Act to support child care, Arkansas used Community Development Block Grant funds to support small businesses, including child care providers, through bridge loans. Arkansas reports that of the around 2,000 child care providers licensed in the state, more than half had remained open during the pandemic emergency period.

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California

California received $350 million in supplemental CCDBG funds through the CARES Act. California encouraged all programs that could safely remain open to do so in order to serve the children of essential workers. To track availability of care and match parents with an open program, the state created a new website, mychildcare.ca.gov, where parents can find information on licensed child care providers that are currently open, including location, health and safety details, ages of children served, capacity, and hours of care.

In a survey of over 2,000 providers in California, 60% said they would not make it through June without interventions. To support child care providers, California made $50 million of CARES Act funds available toward cleaning and supplies to help providers stay open and reopen while meeting public health and safety guidelines. Additionally, the state allocated $50 million in CARES Act dollars to serve children of essential workers and at-risk populations. With CCDBG flexibility, California recalibrated its Quality Counts program to meet the needs of providers during COVID-19 by shifting professional development online and providing stipends to participants who remained open.

Child care providers continued to receive full subsidies for all enrolled children, including any copayments or fees usually paid by parents. From April through June, programs were prohibited from imposing or collecting family fees or copayments. Providers were also required to continue serving families even if they had outstanding fees or payments through the crisis. The state continued paying providers who had temporarily closed, based on enrollment. During an emergency closure, those programs that continued to receive funds by the state were required to continue paying staff wages and benefits. Failure to do so resulted in a reduced payment by the state. The state's family voucher system continued to pay providers for 30 days if they closed, and the voucher carried on to a new provider once a family found another child care option. California also provided online child care support via Early Childhood Online, which saw 10,000 new users since March.

To directly support child care for essential workers, California established an Emergency Childcare program through the state's existing subsidy system, available through the end of June.

Households were eligible if all available caregivers were deemed essential, if the family required child care to work, if the family could not work remotely, and if the family had assets of less than $1 million. All other eligibility requirements were waived through June. However, programs were permitted to prioritize income-eligible families over those who were not income-eligible, and existing priorities for children who were abused or neglected remained. Additionally, the regular 12-month eligibility determination did not apply to families receiving Emergency Childcare.

Due to the pandemic, California Gov. Gavin Newsom (D) proposed to eliminate all planned Early Learning and Care investments and to cut provider reimbursement rates by 10%. In a May 28 BPC webinar, Sarah Neville-Morgan, deputy superintendent for the Teaching and Learning Support Branch at the Department of Education in California, stated, "We all desperately needed those CARES funds and we needed that CCDBG flexibility… it helped us stabilize that field in at least that moment." At the same time, she said the state needed additional "measures and funding that [would] help sustain the long-term [child care market] and kick-start the economy." Looking ahead, "we don't want to just rebuild," but instead, Neville-Morgan wanted to consider, "how do we build back something stronger?"

As California moved to "Stage 2" of its reopening on May 8, the state continued to cover subsidies and copayments for open and closed providers through June 30. In April, a state survey of more than 2,000 child care programs indicated that 14% of providers thought their program would not survive a closure past May 30 and 37% reported that they had not received clear regulatory guidance or information on financial benefits from the state. To facilitate a stable reopening of the state's economy, California needed to assist more than 36,000 programs that operated across the state prior to the crisis. However, California had yet to release information on either its remaining amount of supplemental CCDBG funding or any plans to provide further reopening support to child care providers.

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Colorado

Colorado received $42.5 million in supplemental CCDBG funds through the CARES Act. The state identified child care as a critical service and therefore, programs were permitted to continue operating under emergency status. On May 24, Colorado concluded its Emergency Child Care Collaborative, which ensured that essential workers had access to child care. Through the emergency program, the state covered 100% of child care tuition for essential workers, and providers were prohibited from charging families any additional fees or copays beyond what was provided by the collaborative. The emergency program was a public-private partnership, funded both by supplemental CCDBG funding and philanthropic resources. Once the program ended, the state began referring all families to the Colorado Shines Child Care website to find available child care in their area. For families in need of financial assistance, the Colorado Child Care Assistance Program provided child care benefits to families who were working, searching for employment, or were in job training, as well as families who were enrolled in the Colorado Works program.

The state expanded income eligibility for the Child Care Assistance Program to 85% of the state median income, or about $72,000 per year, up from about $60,000 per year (but individual counties could determine their own eligibility rules). Additionally, the state's Family Resource Centers continued to distribute essential supplies including formula, diapers and wipes, and others.

Looking to the reopening phase, the state planned to reform subsidy payments to cover reduced ratios and groups sizes, support flexibility for staff due to anticipated absences, and defray health costs related to screenings or other preventative measures. The state also anticipated an increase in social and emotional behavior supports, and planned to help identify additional support services and consultations for families. Colorado also raised questions about how to reopen stronger, building capacity to support alternative care models including family child care networks and shared services programs. The state also identified a need to consider new cost modeling under these new economic and societal realities, including cost-based reimbursements rather than market rate calculations.

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Connecticut

Connecticut received an additional $23.5 million in supplemental CCDBG funds through the CARES Act. The state identified child care as an essential service and used these funds to provide additional resources to licensed child care providers, both centers and family child care providers, that stayed open to serve children of essential workers. Specifically, additional reimbursements were made to licensed programs that cared for the children of essential workers during the crisis. Programs that closed were eligible for these reimbursements once they reopened. The state intended to use these payments to help offset the higher costs many child care providers incurred while they adhered to strict new public health standards—such as lower ratios—and operated with decreased enrollment. Programs were also asked to document how they used this funding to increase wages for staff during the crisis. Connecticut offered the financial assistance through May.

Separately, Connecticut established "CTCARES for Hospital Workers," an emergency child care program across the state to serve hospital workers and other healthcare workers as they continued to work on the frontlines of the crisis. The state, working in partnership with major hospitals, determined the child care needs of hospital employees and subsequently opened 25 child care locations at hospitals around the state for the children of healthcare workers. The program ran through the end of June and was supported by a $3 million donation from Dalio Philanthropies.

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Delaware

Delaware received $9.7 million in supplemental CCDBG funds through the CARES Act and deemed child care an essential business during the pandemic. Child care programs in Delaware were permitted to continue operating as emergency child care in an effort to assist essential personnel during the crisis. Providers who remained open were eligible to apply for enhanced reimbursements from the state. Enhanced reimbursements could be used for additional staff pay, sanitation, or meeting additional state health requirements. Such enhanced reimbursements were determined by vacant slots at each child care site. For providers that were closed, tiered reimbursements were made based on whether staff were still being paid.

From June 1 to June 15—Phase 1 of Delaware's economic reopening plan—programs that were designated as Emergency Child Care Sites and remained open, continued to receive enhanced reimbursements. Emergency sites that reopened in June receive enhanced reimbursements at separate rates for the first and second half of the month, based on their date of reopening.

During Phase 2, effective on June 15, all licensed child care providers were permitted to reopen, regardless of whether they were designated as Emergency Child Care Sites. Providers were required to submit a written COVID-19 Child Care Plan and to adhere to public health and safety regulations developed by the Office of Child Care Licensing. Required protocol included maximum group size stipulations, screening procedures, cloth face covering guidelines, cleaning and sanitization requirements, and social distancing information. In this phase, providers that remained closed were eligible for tiered reimbursement based on whether they continued to pay staff. Effective July 1, providers that stayed closed no longer received enhanced reimbursements.

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Florida

Florida received $223.6 million in supplemental CCDBG funds through the CARES Act. While Florida child care providers were permitted to remain operational, over 50% temporarily closed. The Florida Department of Education's Office of Early Learning created a Child Care Application and Authorization Form specifically for frontline workers who needed child care during this time. For these individuals, child care was offered for a free or reduced rate for three months, April through June, at which point the continued need for child care was reevaluated. In most cases, providers could still charge parents fees, but the state covered copayments through the end of May.

Florida used CARES Act funds to authorize a bonus system that provided additional funding to child care providers that have remained open to care for the children of first responders and health care personnel. In addition to regular reimbursement rates, participating child care providers received a $500 bonus per child, with a maximum monthly bonus of $4,000, and a maximum $12,000 bonus for the 90-day duration of the program.

Beginning March 1, providers that remained open were paid for all unanticipated absences due to parents keeping their children at home. Providers that temporarily closed also continued to be reimbursed based on enrollment and were required to submit additional documentation in the form of a questionnaire in order to receive such funding. These payments were both for the state's child care subsidy as well as the Voluntary Preschool program. Florida also created a streamlined process for coalitions to purchase supplies on behalf of providers, such as cleaning and protective items. The state extended training and testing requirements for child care staff, including competency exams, through September 2020. But because local colleges were closed, classes were to be offered online.

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Georgia

Georgia received $144.5 million in supplemental CCDBG funds through the CARES Act. While the state allowed child care to remain open, only 1,700 of the nearly 4,500 licensed child care programs remained open to serve first responders. As such, the state continued to provide subsidy payments to child care providers who temporarily closed. Georgia established a new priority to provide child care subsidy assistance to essential personnel such as law enforcement, public safety, medical staff, and child care personnel. Parents working in these fields and whose household income did not exceed 50% of the state's median income ($32,000 for a family of three) were eligible to receive child care subsidy for at least three months. The state paid up to the maximum reimbursement rate for each child, but the family could have still had to pay a copayment or fee. On May 1, the state expanded eligibility for this program to food and grocery store personnel, food and grocery manufacturing personnel, farming and food production or processing workers, and food and grocery transit, distribution, and delivery workers, as well as restaurant workers. The state estimated that this policy would use $3 million of the state's supplemental CCDBG funding.

Also, on May 1, all child care providers were able to apply for Short Term Assistance Benefit for Licensed Entities, or STABLE, payments. These payments were to be used to cover staff salaries and benefits, including for substitutes, tuition relief for families, lease or mortgage payments, utilities, cleaning supplies, classroom materials or supplies, unreimbursed food, and other supplies required by CDC guidelines. The state anticipated this funding to total $50 million.

After these payments were made, Georgia intended to survey providers to get a better understanding of their needs, in order to establish a plan for spending the rest of their CARES Act allocation. Effective May 14, all open child care programs were required to adhere to CDC guidelines, as required by an executive order from Georgia Gov. Brian Kemp (R), through July 12, 2020, or until further notice.

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Hawaii

Hawaii received $12 million in supplemental CCDBG funds through the CARES Act. In response to the pandemic, Hawaii increased program flexibility for families who sought child care subsidies provided by Child Care Connection Hawaii and the Preschool Open Doors program. As of late March, families of essential workers qualified for the child care subsidy program regardless of their income, and existing child care subsidies could be used to hold a space at a licensed and registered provider until care operations resumed. Families facing financial hardship due to COVID-19 were also able to request waivers for co-payments.

Hawaii maintained and updated a list of licensed and registered child care facilities available for children of essential workers. Organizations that were interested in operating emergency child care for essential workers and were not licensed by the state Department of Human Services could submit a request for review.

Idaho

Idaho received $20 million in supplemental CCDBG funds through the CARES Act. The state deemed child care an essential service and planned to use its supplemental funds to continue subsidy payments for providers if they closed or had decreased attendance (40%), pay direct grants to providers for who closed or had decreased attendance (20%), and support child care providers serving frontline and essential workers. The state also planned to offer sanitation and cleaning supplies.

As Idaho moved to Stage 3 of its reopening plan at the end of May, most of the state's industries had reopened. To help child care programs reopen to meet parent demand for care, the state launched a new Child Care Emergency Grant on May 1 to assist licensed providers who were open and caring for children. The program was expected to distribute at least 75% of the state's supplemental CCDBG funds. This one-time, noncompetitive grant could be used to cover operating costs such as rent, staff salaries, and cleaning supplies. Award amounts ranged from up to $2,000 for home-based providers and up to $15,000 for center-based providers based on licensed capacity. Applications were open from May 1 through June 30, and the state processed them within 7 to 10 days.

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Illinois

Illinois received $118.4 million in supplemental CCDBG funds through the CARES Act. State officials estimated that they would use these funds to offer increased payment rates for child care providers serving frontline and essential workers (50%), pay subsidy to both open and closed providers based on enrollment (35%), cover child care costs for essential workers who would not otherwise qualify for subsidy, and provide sanitation, cleaning supplies, and related supplies. In

March, all licensed child care programs had closed but the state deemed child care essential and created a new emergency license for centers that continued to operate. Home-based providers could operate under license-exempt status for up to six children during the stay at home order.

As of June 1, most regions in Illinois had moved to Phase 3 of the state's five-phase reopening plan, meaning licensed child care centers and home-based providers could reopen with limited capacity. Before reopening, providers were required to develop an agency action plan and an enhanced risk management plan in order to prevent the spread of COVID-19. After a four-week period of operations, providers without a previous emergency license were eligible to apply to expand capacity. Providers with emergency licenses were eligible to apply without the four-week waiting period.

The state recognized on June 10 that the existing child care business model would not be sustainable under requirements to operate at 70% capacity in Phases 3 and 4, especially because 60% of providers had been closed during the height of the pandemic. To support reopening providers that had their operating capacity reduced as a result of public health restrictions, Illinois announced a $270 million Child Care Restoration Grant funded by dollars from the state's Coronavirus Urgent Remediation Emergency (CURE) Fund. These grants were available only to licensed providers that were open at the time of the grant application, regardless of whether they received prior emergency child care funds. Applications for Child Care Restoration Grants were open in July and awards were distributed in August.

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Indiana

Indiana received an additional $78.8 million in supplemental CCDBG funds through the CARES Act. The state used these funds to provide Temporary Assistance Grants to Retain Child Care, designed to replace lost revenues from private-pay children during COVID-19. Grants were intended to assist providers—both those that remained open and those that temporarily closed but planned to reopen by June 14—in continuing to pay staff during this time and to ensure the future viability of these programs. Any provider who was eligible to participate in CCDBG was eligible to apply and had to reapply every two weeks in order to receive funds. As of June 1, school facilities that were not licensed or registered child care providers were no longer eligible for the Temporary Assistance grant. Additionally, to receive grant assistance, providers were required to be open by June 14 with children in attendance—exceptions were granted to providers who closed due to a confirmed COVID-19 case.

During the first month of Temporary Assistance Grants, over 2,000 programs received a total of nearly $20 million. Of the providers who applied, 55% were home-based family child care providers, 32% were center-based programs, and 13% were faith-based ministries.

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Iowa

Iowa received $32 million in supplemental CCDBG funds through the CARES Act. The state developed a COVID-19 Childcare Sustainability Plan for obligating its supplemental funds. Within the span of one month—March 1 through March 31—the state reported 76% of programs had temporarily closed.

The state provided a monthly stipend of $2,000 to all licensed centers that remained open, and $500 to all registered homes that remained open. To encourage providers to serve essential services personnel, the state doubled this stipend to providers if they offered a 25% tuition discount to such workers, for a potential total of $4,000 to centers and $1,000 to homes. These payments were available from May through July and the state expected them to cost about $20 million.

For providers serving families receiving subsidies, the state paid full tuition amounts including copays, which were waived for families at a cost of $2 million. The state continued to pay full-day, full-attendance rates to providers for all school-aged children based on enrollment, rather than attendance. Iowa provided hand sanitizer and other cleaning supplies directly to providers and covered the cost of background checks for temporary emergency site employees.

For programs that closed, the state offered "Rejuvenation Grants" in the form of one-time payments available from April through June. These grants were intended to help providers reenter the market by defraying their revenue losses and for cleaning, replacing equipment or materials, and acquiring necessary supplies. Licensed centers were eligible for $1,500 and registered homes were eligible for $600, which the state estimated would cost $6 million.

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Kansas

Through the CARES Act, Kansas received $30.77 million in supplemental CCDBG funds. The state used this money to create a Hero Relief Program which expanded child care subsidies for essential workers, specifically health care workers and first responders, and provided direct financial support to child care providers. The program specifically targeted health care workers, first responders and other essential workers, such as food and agricultural workers, the National Guard, and social workers. The state capped eligibility at 250% of the federal poverty level (or $54,300 for a family of three).

The Hero Relief Program also supported child care providers by providing a variety of financial assistance measures, including grants, to help with continuing operations during the pandemic. Funds were eligible to be used to pay for ongoing expenses such as rent or mortgage, staff salaries, and necessary health and safety supplies such as gloves and disinfectants. The state also offered a one-time bonus for providers who stayed open to care for children of essential workers during the crisis.

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Kentucky

Kentucky ordered licensed, certified, and registered child care programs to close on March 20 until further notice. Also in March, the state received $67.7 million in supplemental CCDBG funds through the CARES Act. These funds were used to offer subsidy payments to providers based on enrollment, rather than attendance, during the crisis regardless of whether the program was currently open or had temporarily closed. Additionally, the state covered the cost of parent copays to avoid placing additional financial strain on parents. Kentucky planned to also offer subsidy payments to limited duration child care programs, given that most registered and licensed providers were currently closed, pending a waiver request.

During late May, Kentucky released its plan to reopen child care in June. Effective June 8, certified home-based providers were permitted to reopen subject to required public health and safety guidelines. Effective June 15, licensed center-based programs and day camps were eligible to reopen. However, limited duration child care programs established during the May 20 closure order were required to close or transition into a licensed or certified program by August 31. Kentucky mandated that all providers follow their appropriate maximum group sizes, screening and illness requirements, cleaning and disinfecting guidelines, and personal protective equipment rules.

A survey of more than 1,500 of the state's 2,172 child care programs indicated 30% could not cover costs during closures without financial assistance, and just 23% of programs that had closed were able to retain their staff. Staff salaries and rent/mortgage payments made up around 75% of their costs during closure. Two-thirds of programs said they would need grants to cover reopening costs and over half said they would need continuing funds to pay fixed operating costs and to pay staff.

Kentucky had not developed a plan to substantially assist child care providers in their reopening, raising concerns about market viability across the state. Kentucky continued to pay licensed providers by covering subsidies and parent copayments based on pre-COVID-19 enrollment through July 15. After July 15, the state no longer covered copayments, and effective October 1, providers will once again receive subsidy payments based on attendance, rather than enrollment. However, if a provider delays reopening for a month past these deadlines in order to obtain staffing or purchase personal protective equipment, then the state will continue to pay subsidies based on enrollment. A program that delays beyond a one-month amnesty period will not qualify for this exemption.

Because of the support from the CARES Act, "everybody was able to sustain [their program] through June, but once they reopen, there is just more funding that is needed to create stability," Sarah Vanover, director of the Division of Child Care at the Cabinet for Health and Family Services in Kentucky, told a BPC webinar earlier this year. Kentucky anticipated losing up to 20% of its capacity to serve infants and toddlers, and a 50% reduction in preschool capacity, if more funding did not become available. According to Vanover, "instead of focusing on these next 3 to 4 months… we've got to look beyond the next year and say [child care] is something that must stay in place for a long time."

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Louisiana

Louisiana received $67.6 million in supplemental CCDBG funds through the CARES Act. Louisiana distributed these funds via two separate grants to support families and providers both during a period of widespread closure and when parents could go back to work and programs could reopen. For each grant, any provider certified for the state's subsidy program, including home-based providers, was eligible to apply. The two grants were as follows.

Emergency Child Care Development Fund Response Grant: This grant was intended for child care providers that remained open or had reopened during the crisis to offer care for children of frontline and essential workers, and incurred additional costs as a result of mitigation requirements and compliance with CDC health and safety guidance. The state encouraged providers to use funds to pay staff salaries and to cover additional costs associated with operating during the pandemic, such as sanitation supplies and utilities. Providers were required to have been serving children after March 23, 2020, in order to apply.

Emergency Child Care Relief Grant: This grant was intended to help providers remain operational after the crisis. As with the emergency response grant, the state encouraged providers to use a portion of these funds to pay the salaries and wages of staff although they were eligible to be used on other operational costs such as supplies, rent or mortgages, and utilities.

As Louisiana moves to its Phase 2 of reopening on June 12, the state announced a Child Care Assistance Provider Grant available for programs that reopened by June 1. This one-time, noncompetitive grant was available for all programs open and operating by June 1 that were affiliated with the state's Child Care Assistance Program. This was the second round of grants, and the state anticipated offering a third round for programs that were unable to open by June 1, but that planned to. Grant amounts were calculated as $188 multiplied by the provider's licensed capacity and could be used to cover any operational cost including staff salaries, bonuses, rent/mortgage, or supplies.

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Maine

Maine received $11 million in supplemental CCDBG funds through the CARES Act. The state used its CARES funds to provide child care subsidies for essential employees who exceeded the Child Care Subsidy Program (CCSP) income guidelines. The state planned to make these subsidy payments through June or two weeks after the end of the state declared emergency, whichever was sooner. As of June 1, the state provided emergency care to the children of 435 essential workers and 644 children of families that typically exceeded the income threshold. Maine projected that this subsidy program would use $1 million of the CARES Act funds.

Additionally, the state provided a one-time stipend to all licensed child care providers and all license-exempt non-relative providers participating in CCSP, with amounts based on operating status (opened or closed) and capacity. Providers that were closed received $75 per licensed slot, while those that remained open received $175 per slot. As of June 1, the stipend program had served 1,650 providers, which included 844 family child care providers, 759 facilities and 47 license-exempt providers. Maine estimated the cost of the stipend program to be roughly $5.2 million.

Further, the state planned to provide grants to aid child care providers in resuming operations following the emergency. Beginning June 8, a recovery grant application was open to providers who planned to reopen or resume operations. Maine planned to spend $4.7 million on this grant program.

As of June, Maine had obligated all its supplemental CCDBG funding. While appreciated, it was not enough, said Todd Landry, director of the Maine Office of Child and Family Services, during a BPC webinar. Landry explained the difficulties facing the industry, saying that "when people did the math, it was better for them to go on unemployment than to keep working, and that did drive some [child care] closures." Landry recommended that "as we look to these recovery pieces we have got to look at how we support child care… additional resources and flexibilities to support those child care providers to enable their parents to return to the workforce and get their economies moving again" is critical for our nation's rebound from the crisis.

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Maryland

Maryland received $45 million in supplemental CCDBG funds through the CARES Act. Maryland considered child care an essential service and obligated 100% of its CCDBG funding provided in the CARES Act by June. The state used its funds to cover the costs of child care for essential workers (75%) and to increase the payment rates for child care providers who were open and serving frontline and essential workers (25%). Additionally, Maryland continued to pay subsidy payments based on enrollment, rather than attendance. The state believed that in order to continue supporting their existing activities, it would need an additional $60 million over the next six months.

In early May, a survey of child care providers in Maryland reported that the child care industry lost more than $51 million during COVID-19. For those providers who remained open during April, low enrollment numbers proved to be a significant financial burden as 37% reported enrollment numbers below half capacity. While providers suffered from low enrollment, the 32% of providers that were closed explained that they continued to incur significant costs with 54% citing rent or mortgage as their largest ongoing expense. These tumultuous conditions threatened the viability of Maryland's child care sector, especially as over half of providers indicated that extended closures would likely force them to close permanently.

On June 5, Maryland moved to Phase 2 of its reopening, meaning parents increasingly needed support from the struggling child care sector as they returned to work. However, in its child care recovery plan the state announced that because less child care funding was available than initially expected, it would no longer cover child care for essential persons effective June 8. Once the state transitioned to Phase 3 of its reopening plan, all providers were permitted to reopen but the state did not plan to offer any further financial assistance as programs reopened with capacity restrictions and increased health and safety costs.

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Massachusetts

Massachusetts received $45.7 million in supplemental CCDBG funds through the CARES Act. The state temporarily closed all non-emergency child care programs through June 29. Programs authorized to operate as emergency child care programs were the only programs allowed to remain open, with the intent to provide services to vulnerable children and children of essential workers. It was estimated that only 500 of the over 8,000 providers had remained open through the Exempt Emergency Child Care Program allowance.

A survey of parents in Massachusetts found that about half believed they would not be able to return to work without a consistent child care program to rely on. Further, nearly 90% said they would hesitate to send their children to a formal arrangement due to health concerns, and a striking 30% of parents said they would not return to their previous care arrangement even if they were able to.

Programs that remained open were able to receive small, flat-rate grants to help defray the cost of operations. Specifically, centers were eligible to receive $2,500 per classroom, per week, for up to 2 classrooms and a maximum of $5,000 per center each week. Home-based providers could receive $1,000 each week for up to 8 children. The state anticipated that this funding would be available through the end of June.

Funding for emergency child care programs was not designed to cover the entire cost of operating but rather to ease the fiscal burden on programs that stepped forward to provide assistance to families during the crisis. The state continued to pay all subsidies and parent copayments to providers who were closed for the duration of the public health emergency.

More Information Here

Michigan

Michigan received $100 million in supplemental CCDBG funds through the CARES Act. The state used $30 million of these funds to establish a Child Care Relief Fund. The fund offered grants to child care providers who were open and serving children of essential workers, and covered any parent copayments or fees. In order to receive these funds, providers were required to agree to reduce weekly rates for families by 10%. Grant awards were eligible to be used to cover fixed costs such as mortgages, utilities, insurance, and/or payroll. Centers could apply for a grant of at least $3,000 and home-based providers could apply for at least $1,500, with additional funding based on the size of the provider, whether they were open and serving essential workers, and their quality rating. Applications opened on April 29, and within the first day, the state received applications from 2,200 providers—or a quarter of providers believed to be eligible. Michigan's goal was to support every provider in the state with a grant. The April application round was scheduled to close on June 5, with subsequent rounds opening later for the months of May and June.

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Minnesota

Minnesota received $48.1 million in supplemental CCDBG funds through the CARES Act. Over 4,000 family and center-based child care providers continued to offer care for emergency and essential workers during the crisis. The state used $30 million of its supplemental funds to support a Peacetime Emergency Childcare Grant program for licensed providers who offered child care to the children of emergency responders. Grants were offered on a monthly basis beginning at amounts of $4,500, with additional $1,000 available for programs providing care at non-traditional hours, care for children whose first language is not English, and/or who have special needs. Providers licensed to serve 15 or more children were eligible for an additional amount of up to $15,500 per month. Minnesota also continued to provide subsidy payments to providers for children who are absent at open facilities, and to providers who have temporarily closed, for up to one month.

Approximately $9.75 million was distributed via grants from April 18 through May 18. Rounds two and three were set to be offered in subsequent months. The state received 5,401 applications or nearly 60% of all eligible providers. Of these, 84% were home-based or family care providers, and 16% were center-based. The state awarded grants to just 1,287 applicants, or about a quarter of the programs that applied.

On May 13, Minnesota Gov. Tim Walz (D) announced that the state would move to Phase I of its reopening plan. Child care providers serving essential workers were already designated as critical businesses and had been open with limited capacity during the crisis. The state encouraged school districts and charter schools to provide care to the school-aged children of emergency workers, as well as to stay open during the summer months to respond to workforce needs. Local Emergency Operation Centers offered child care providers cleaning products and supplies.

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Mississippi

Mississippi received $47 million in supplemental CCDBG funds through the CARES Act. In response to COVID-19, the state created a Childcare Crisis Assistance in Isolation Response, or CCAIR Plan, to guide providers and parents through child care during the pandemic. The plan established CCAIR child care sites, a temporary designation for locations that remained open to provide emergency child care to families whose work was considered essential by the state. Any existing child care providers could be a CCAIR provider, but in order to serve children with emergency subsidy certificates (detailed below), programs were required to complete CCAIR orientation training, provided online free of charge.

Parents who met the definition of a priority population were able to receive an emergency subsidy certificate, without consideration of family income during the declared disaster. These emergency certificates covered the full cost of care, and parents' copays were waived. Additionally, parents already receiving child care subsidies who had lost their job or did not meet the school or work hour requirements due to COVID-19 remained eligible for the subsidy program. However, parents were required to continue seeking employment, school enrollment, or both.

The state paid subsidies to providers based on enrollment, rather than attendance, through May, as long as the enrolled child had attended at least one day during the first month of the declared emergency. Additionally, the full subsidy was paid to providers, including any parent copayments through May. In early May, the state also provided all licensed and registered child care providers with an opportunity to request health and safety supplies at no cost.
State officials also conducted a webinar for child care providers about financial support available to them outside of the state subsidy program, including the Paycheck Protection Program and expanded unemployment insurance.

A May study of child care providers in Mississippi indicated that the industry lost an estimated $18.3 million in revenue and found 55% of the state's child care providers were temporarily closed or under limited operations due to COVID-19. Providers noted that the biggest financial impact came from a significant withdrawal of private-pay families since most programs serve fewer than 20% of students with subsidized tuition. For providers that remained open, low attendance impacted their budgets—51% reported they could not cover even half their monthly expenses with their income at the time.

On June 1, Mississippi permitted all businesses to reopen, but the state did not offer direct reopening assistance to providers. However, on June 3, state administrators announced a provider-led task force to devise a plan for the distribution of remaining supplemental CCDBG funds from the CARES Act.

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Missouri

Missouri received $66.5 million in supplemental CCDBG funds through the CARES Act and fully obligated funding through a CARES Act Child Care Plan as part of the state's Show Me Strong Recovery.

From May 1 through August 31, parents who were working or attending school or a training program, with an income above the subsidy eligibility threshold (138% of the federal poverty level, or $30,000 for a family of three) and up to 215% (or about $45,000 for a family of three) of the federal poverty level were eligible to qualify for Transitional Child Care Subsidies, if they previously had not. Families who received these benefits received between 60% to 80% of the usual subsidy benefit depending on their income. This temporary assistance was estimated to cost nearly $13 million.

Additionally, parents who were unemployed due to COVID-19 could receive a temporary child care benefit, for up to 90 days, while they searched for work. This benefit is available through December 2020 and was estimated to cost $14.4 million. For parents who were first responders, health care workers, and other essential personnel, the state established a hotline and email address as a resource to assist in their search for child care. For parents who were already receiving a state subsidy, all benefits were automatically extended for 90 days. The state worked on a case-by-case basis to approve additional hours of care for impacted families.

Providers that remained open serving children of essential personnel were eligible to receive a one-time bonus payment based on capacity, ranging between $1,000 and $7,500. The state anticipated these payments to cost $3.5 million per month. Additionally, providers operating during non-traditional hours (7:00 p.m. to 6:00 a.m., or on the weekend) could receive a $100 monthly stipend for each child care slot offered for the months of April, May, and June, for a total cost of $4.2 million to the state. All providers received subsidy payments based on enrollment rather than attendance for the same months (anticipated to cost $20 million).

Additionally, Missouri distributed $10 million in one-time competitive grants to enable institutions of higher education to establish on-campus child care programs. The state worked with institutions of higher education and the state's workforce development boards to assess the needs of the state's workers and required programs to reserve some space for children receiving state subsidies.

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Montana

Montana received $10.1 million in supplemental CCDBG funds through the CARES Act and anticipated this funding to last through June. The state used these funds to offer financial support for child care programs, support temporary emergency child care, and cover enhanced payment rates for all subsidy recipients. Montana anticipated that by receiving emergency grant funds, continued subsidy payments, and other nonprofit or small business supports, child care providers would be able to cover program expenses during the emergency.

Specifically, providers were eligible to apply for Emergency Grants—one-time payments of $3,000 for family programs, $5,000 for group homes, and, up to $8,000 for centers. Any licensed or registered child care program was eligible to apply if they were currently operating or planned to reopen, and if they have been impacted by the COVID-19 pandemic.

Further, the state offered Temporary Emergency Child Care Support grants to non-licensed programs to cover the costs of care for essential, medical, and emergency personnel. This funding was available for the sole purpose of offering care to such families during the period of emergency, and was not intended to act as start-up grants for new child care providers or to provide temporary or new funding streams to existing youth development, school-age or afterschool programs, or summer programs. The state anticipated that it would award 20 one-time grants: up to $23,000 for a program serving under 10 children each day, up to $55,000 for programs serving between 11-24 children each day, and up to $90,000 for programs serving more than 24 children each day.

Additionally, for providers that remained open, the state paid subsidies based on enrollment, rather than attendance and covered all parent copayments from March through May. For those that temporarily closed, but planned to reopen, the state offered a backpay of three months.

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Nebraska

Nebraska received $20 million in supplemental CCDBG funds through CARES Act. The state distributed these dollars through three grants intended to support providers.

Nebraska's Child Care Relief Fund offered $1,000 grants to sustain family and center-based providers that remained open. Private child care foundations funded 800 of the 1,000 received grant applications and the state used its supplemental CCDBG funds to fund remaining applications.

Many of the state's providers remained open but were required to reduce attendance sizes. To help providers meet the costs of reduced attendance, Nebraska also offered one-time Child Care Stabilization grants of $3,500 for family providers and $5,500 for centers. Alternatively, providers that closed temporarily were eligible for a one-time Incentive to Reopen Child Care Programs grant that served to support a program's reopening costs. Family providers could receive $2,000 and child care centers could receive $3,000 as long as they committed to reopen within 30 days.

The Nebraska state government has a strong relationship with private child care organizations. The two coordinated to quickly develop an online database that referred essential workers to providers with open spots. The state planned to use CARES Act dollars to improve the network's data collection process and merge the database with the existing referral system for the future.

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Nevada

Nevada received $32.9 million in supplemental CCDBG funds through the CARES Act and anticipated this funding would last through August. Child care was deemed essential in Nevada, but over 70% of programs temporarily closed. Nevada primarily distributed these funds via direct grants to providers (64%) and continued subsidy payments (24%). The state also used funding to update eligibility systems and match families with open providers.

Nevada also repurposed $1.2 million of unspent CCDBG quality dollars for emergency stipends to cover unexpected costs resulting from COVID-19. Unfortunately, the CARES Act did not cover the cost to provide funding to all child care providers in Nevada, and the state needed additional federal funding to support the market and allow programs to reopen once the crisis passed.

New Hampshire

New Hampshire received $7 million in supplemental CCDBG funds through CARES Act. The state spent its CARES Act funds, and additional state and philanthropic funds, on several efforts to keep child care programs afloat and to prioritize care for the children of essential workers, as well as children with special needs and those at risk for abuse and neglect.

The state dedicated the $7 million for costs associated with operationalizing an Emergency Child Care System, including covering payments for subsidy families, extended absences, and program closures. Some of these funds were used to create a $5 hourly incentive payment to keep child care workers working and off the state's unemployment system. As of May 1, around half of the state's child care workers had filed for unemployment, according to state officials. These officials noted that the additional $600 weekly unemployment benefit enacted as part of the CARES Act federal stimulus, paid more than a child care worker's typical wage.

Child Care Aware of New Hampshire, funded by the state, created an emergency child care response telephone line and website to determine current and future capacity of child care professionals to provide emergency child care services and match employers and parents. The state also distributed cleaning supplies to all open child care providers including boxes containing soap, bleach, masks and toilet paper.

As of May 1, 243 child care centers were designated participants in the program, with almost 400 by May 11. These numbers exceeded the state's initial estimates that 150 providers would sign up. About 6,000 children attended these child care programs each week, and about 1,000 more spots became available as more businesses reopened. However, this was a small number compared to the state's pre-pandemic child care use: there were some 46,000 slots in February.

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New Jersey

New Jersey received $63 million in supplemental CCDBG funds through the CARES Act. The state directed the closure of all child care centers except for those on federal property or military bases, family-based centers caring for five or fewer children, and any centers that registered to exclusively provide emergency child care services to essential personnel. Nearly 600 child care providers statewide were certified to provide emergency child care services. The state used its supplemental funds to cover child care costs for essential workers through an Emergency Child Care Assistance Program. Essential workers with young children were able to register online, at which point the county-based Child Care Research and Referral agency reached out to assist with enrollment and placement. The state paid uniform rates to each provider, depending on age of child enrolled, through April.

Additionally, New Jersey paid all providers based on enrollment for March, April, and May, regardless of whether the program had closed or remained open. Providers that remained open also received a $100 stipend per child on top of their regular subsidy rate. Additional assistance was made available to cover parent copayments for recipients who had their work hours reduced, were laid off, or had school-aged children who required additional care.

The state permitted all child care providers to reopen on June 15 provided that they complied with strict child care health guidelines. The Emergency Child Care Assistance Program was discontinued in June and families needing financial assistance resumed the regular Child Care Subsidy Program.

In March, a survey of New Jersey child care providers revealed that 59% of programs did not expect to survive beyond one month of closure and 32% worried that they would not survive any closure. Given the three-month timeframe from that survey and when programs could reopen, the state announced a new Child Care Provider Health and Safety Preparedness Grant to help licensed programs, including before and aftercare programs and summer camps, cover health and safety costs as they reopened their doors.

These one-time, noncompetitive grants were available to providers that did not receive previous CARES Act funds. Grant amounts went up to $5,000 for center-based providers and varied by provider type. Awards could be used to obtain items such as personal protection equipment, thermometers, cleaning products and supplies, and other related items to meet new health and safety guidelines.

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New Mexico

New Mexico received $29.4 million in CCDBG funds through the CARES Act. In New Mexico, child care providers remained open to serve essential employees. The state decided to spend its funding on several activities to both support essential workers—including child care staff—and to stabilize the child care market for the long-term. Almost half of the state's supplemental funds were distributed via Recovery and Stabilization grants in May to help support the ongoing operations of child care programs. The state anticipated nearly 1,000 providers would receive these grants ranging from $2,000 to $34,000 depending on each provider's type, size, quality level, and number of children receiving subsidy. Another 27% of the state's supplemental CARES Act funding was used to support providers that remained open by offering an incentive of $250 per child served. While child care homes were not eligible for grants, they were eligible for incentive payments.

To support child care staff who continued to work amid the crisis, New Mexico spent another 27% of its CARES Act funds on staff incentive pay for the months of April through June. Full time staff were eligible for $700 each month, while part-time staff were eligible for $350 each month. The state also continued to pay closed providers for all contracts, waived parent copays, delivered PPE to providers, and expedited the background check process for new staff. Lastly, New Mexico established a Family, Friend, and Neighbor program to provide emergency care.

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New York

New York received $163 million in supplemental CCDBG funds through the CARES Act. Child care was deemed essential in New York. Prior to the passage of the CARES Act, the state covered child care copayments for families affected by COVID-19, expanded subsidy eligibility to families with up to 85% the state median income ($63,644 for a family of three) and extended the eligibility period for families to receive child care subsidies.

During Phase One of its child care relief plan, the state used $30 million of its supplemental CCDBG funds to cover child care costs for essential staff whose income was less than 300% of the federal poverty level, or $78,600 for a family of four. Essential workers could use the funding to pay for their existing care arrangement or to find a new care arrangement that was open.

Gov. Andrew Cuomo (D) also announced that the CARES funding would be used to purchase supplies for child care providers statewide who remained open, including masks, gloves, diapers, baby wipes, baby formula and food. Child care resource and referral agencies were to receive grants totaling approximately $600 per provider and were to distribute these supplies to providers.

As of May 28th, 59% of center-based providers and 26% of home-based providers had closed. Further, the state has reported a low utilization rate among parents, leading to 27% of open spaces being used during the crisis. This data indicated that those providers that remained open needed support to cover payroll and fixed costs given this decline in enrollment. During Phase Two, New York used its supplemental dollars to fund additional family subsidies, offer restart grants for closed programs, and offer start-up expansion grants areas where there was a larger need for child care than there were available spaces. These funds were distributed via the state's 30+ child care resource and referral agencies.

According to the deputy commissioner of the state's Office of Children and Family Services, Janice Molnar, during a BPC webinar, the CARES Act offered "very important resources, but hardly enough" to support the various needs of both parents and providers. Providers "[didn't] have enough children to open a classroom, there [was] not enough tuition to cover costs of salaries, and at the same time there [was] an increased need to serve more children." New York waited to target the remainder of its CARES dollars because, as Molnar commented, it was nearly impossible to prioritize so many needs fairly.

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North Carolina

Child care in North Carolina was deemed an essential service. North Carolina received $118 million in supplemental CCDBG funds through the CARES Act, and the state anticipated that the funds would last through July. The state spent most of its funding from the CARES Act via grants to child care providers who had temporarily closed or had seen decreased enrollment (70%), and via increased payment rates to providers who were open and caring for children of frontline and essential workers (25%). All providers, open or closed, received subsidy stabilization support for April and May, and continued to receive support through June. Pre-kindergarten programs were funded at pre-COVID levels, and child care providers automatically received operational grants scaled according to the provider's quality, size, and percent of children who receive subsidies. North Carolina planned to offer child care recovery grants throughout the month of July, launched a hotline for families to access enhanced child care referrals, and continued to use funds for cleaning, sanitation, and supplies.

Beyond its supplemental CARES Act dollars, North Carolina repurposed over $60 million of existing CCDBG funds to support child care for essential workers, supported providers through continued and increased subsidy payments, and covered parent copayments for April, May, and June. It is important to note that North Carolina provided child care teachers bonuses of $950 per month and support staff bonuses of $525 per month. For the month of April, these bonuses brought the average monthly salary of child care workers to $2,860, while the average monthly salary of child care workers receiving unemployment remained higher at $3,553. The North Carolina Department of Health and Human Services cited this gap as a barrier to retaining child care workers.

North Carolina anticipated needing an additional infusion of $118 million (equal to the amount they received in the CARES Act) to continue these activities over the following six months. Susan Perry, chief deputy secretary at the North Carolina Department of Health and Human Services, explained during a BPC webinar that the state would need additional funding to the tune of $75 million per month for at least three to five months after the summer to "help [programs] get on their feet." The state was very concerned about permanently losing many child care programs that were closed and wanted to direct funds to entice providers to reopen and to attract staff and teachers back into the workforce through increased salaries and benefits. The state also believed that many of the flexibilities and strategies provided in the CARES Act would be useful if extended.

North Carolina moved to Phase 2 of reopening on May 22, but as of the end of May, still 41% of providers remained closed. To help these providers reopen during Phase 2, North Carolina announced "Operational Grants" to assist programs in covering costs for the number of days they were open in June. These one-time, noncompetitive grants were distributed to all open providers regardless of whether they received financial assistance in past months. Grant amounts varied by provider type and ranged from $500 to $30,000 for center-based providers, and from $359 to $2,500 for home-based providers. These amounts were based on factors including providers' quality rating, pre-COVID-19 enrollment, and infant-toddler enrollment. Separately, the state continued covering all subsidized slots and copayments through June, so the Operational Grants were reduced after taking those enrollment numbers into account. Unlike in previous months, however, the state began to only cover subsidies and copayments for open providers, based on pre-COVID enrollment in June.

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North Dakota

North Dakota received $6 million in supplemental CCDBG funds through CARES Act. The state used its funds to offer emergency operating grants to licensed providers in order to help defray the costs associated with operating during COVID-19 and to help sustain the child care industry through this period of disruption. Providers that remained open were eligible to receive grants, and recipients had to agree to prioritize children of essential workers. Providers were also required to cap the fees they would typically charge families to hold a spot during extended absences at $50 each month. The state asked all providers to consider offering care during extended, expanded, and alternative hours. Providers that had temporarily closed were not eligible to receive emergency grants. Payments were based on facility type and licensed capacity.

The state also added flexibility to allow school districts to help care for children in grades K-5 whose parents worked in vital health, safety and lifeline services, under modified operating approaches.

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Ohio

Ohio received $117 million in supplemental CCDBG funds through CARES Act. The state used these funds to create its Temporary Pandemic Child Care Program, a short-term license for child care providers to stay open for parents working on the frontlines of the crisis. Providers—both centers and homes—that remained open were asked to prioritize care for the children of medical professionals. The state kept a list of approved providers, searchable on the Department of Jobs and Family Services website. Child care workers employed in pandemic programs were also considered essential and were eligible to send their children to such temporary programs. Payments to providers occurred on a weekly basis and were determined based on the provider's quality rating and the number and ages of enrolled children. Additionally, programs were not permitted to charge families additional copayments or fees.

All providers were permitted to reopen on May 31 under strict guidelines to reduce group sizes, conduct temperature screens, and increase hand washing.

To help child care providers reopen, the state announced a $60 million grant program that offered financial assistance in two ways. First, the program offered a monthly payment to licensed child care providers to cover the costs of materials such as thermometers, personal protective equipment, and cleaning supplies that programs needed to purchase to follow enhanced health and safety protocols. Grant amounts ranged from $500 to $6,000 and varied by each provider's licensed capacity and quality rating.

Second, the state offered a Ratio Support Payment intended to support licensed providers that had been open for at least two weeks as they experienced variable attendance during the reopening stages. The state calculated these grant amounts based on the provider's private and subsidized enrollment, ranging from $273 to $22,820 per month. Funds could be used on any operating expenses, including cleaning supplies and payroll costs. Applications were open June 14 through June 21, and payments were processed the week of June 22. The state explained that grant distribution patterns in June were used to inform the funding structure for July.

Kara Bertke-Wente, assistant director of the Ohio Department of Jobs and Family Services, said during a BPC webinar that "we certainly appreciate the commitment that was made to us" through the CARES Act. However, she noted that providers were "concerned about what happens when this money runs out … in July or August," and believed that more financial support would be needed to help Ohio child care providers and working parents.

[More Information Here]

Oklahoma

The Oklahoma Department of Human Services announced that it would use its $50 million in supplemental funds from the CARES Act to establish a program to help families receive child care as they sought employment. The new funds allowed families seeking employment to receive up to 60 days of child care as they tried to reenter the workforce. Families did not have to meet typical eligibility requirements for this new program, and parents could send their children to any child care provider licensed and contracted to accept subsidies.

By the beginning of May, nearly a third of the state's 3,000 home- and center-based providers were temporarily closed. On May 1 the state launched the Kith.care program which provided emergency child care funding for the children of health care professionals. Instead of funding existing licensed providers, Kith.care offered a $25 per day per child reimbursement to family members caring for the children of health care professionals at home. The family member had to first receive online CPR training and pass a background check to qualify for the program. Oklahoma child care associations publicly denounced Kith.care, arguing that licensed providers had readily available spots for the children of health care professionals and that this divergence of funds away from current providers threatened the long-term sustainability of the state's child care system.

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Oregon

Oregon received $38.6 million in supplemental CCDBG funds through the CARES Act. The state directed families for whom child care was not necessary to keep their children at home, and closed all child care facilities except those operating as Emergency Child Care Facilities. These emergency programs were required to prioritize care for essential workers, and the state allowed for expedited training and background checks for staff. To assist parents who were essential workers, the state expanded access to Emergency Child Care by eliminating copays and increasing the income eligibility limits from 185% the federal poverty level to 250% (or $54,300 for a family of four).

Further, Oregon used its funds to continue supporting its emergency child care programs. In early May, the state initiated the first phase of a multi-phase Emergency Child Care grant. The first phase allocated $8 million of the state's supplemental CCDBG dollars to Emergency Child Care providers. Providers received a base payment based on whether they were family- or center-based and received additional bonuses if they provided weekend or overnight care.

The Oregon Early Learning Division approved $10 million in Emergency Child Care grants for providers who remained open in phase two. Amounts for these grants varied by provider type and ranged from $700 to $14,000. The application process was open from June 22 through July 10. These funds were intended to help providers cover the increased costs of reopening and to implement safety and health practices that required more staff, time, and resources. Grants could be used to cover allowable costs such as paying lease or mortgages, utilities, insurance, food and supplies, staff compensation and benefits, and other reasonable reopening costs.

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Pennsylvania

Pennsylvania received $106.4 million in supplemental CCDBG funds through the CARES Act. In March, child care centers were mandated to close across the state but were eligible to seek an emergency waiver if they wished to remain open to serve the children of essential workers. Home-based child care programs were not included in mandated closures and could remain open without an emergency waiver.

To sustain the child care industry through these closures, the state distributed about half of its supplemental funds ($51 million) via grants to support all eligible child care providers across the state—nearly 7,000 in total. Funding awards were based on provider type, licensed capacity, and location, and ranged from $2,235 to $20,700. All providers received a base payment, and providers could receive additional funding if they served an area that lacks child care capacity. Additionally, the state paid subsidies to providers based on enrollment at the time of a program's closure.

The remaining CARES Act funding was distributed following the completion of a study conducted in coordination with Penn State Harrisburg's Institute of State and Regional Affairs on the economic impact of the pandemic on Pennsylvania child care providers. The state surveyed a sample of 1,000 randomly selected providers across the state, and sought to collect information on the financial costs providers had absorbed (or had been unable to absorb), how many programs remained operational and how many did not, and what level of investments would be needed to cover costs that would allow providers to remain operational.

As of June 24, 65 of the state's 7,000 licensed child care providers had permanently closed. Preliminary findings from the Penn State study indicated that distributing child care funds in July would be vital to sustaining the industry for future months. On July 6, the state announced that the Office of Child Development and Early Learning would distribute $53 million of its remaining supplemental CCDBG funds from the CARES Act during the month of July. Additionally, the state offered $50 million in Hazard Pay grants to help employers continue to pay workers in vital industries including child care. From August 16 through October 24, businesses could use awards to pay essential employees who earned less than $20 per hour. Businesses were eligible to apply from July 16 through July 31, and could receive up to $1,200 per eligible employee.

Rhode Island

Rhode Island received $8 million in supplemental CCDBG funds through CARES Act. The state mandated that all child care providers, including family providers, close through June 1 and suspended all licenses during this time. To help parents who still needed child care, the state partnered with Care.com. All parents—not just those identified as essential workers—still in need of child care could use the website for free for 90 days. Rhode Island also encouraged residents interested in becoming caregivers to register on the website.

The state's Department of Human Services supported providers during this time by continuing subsidy payments until June 1 based on enrollment, covering parent copays, and waiving absence policies for families receiving subsidies.

Prior to the planned reopening of the state's businesses on June 1, all child care providers were required to develop and submit a COVID-19 Plan to the state's child care licensing body. This plan served as an application for providers to reopen; the state had to approve such plans for a program to be eligible to reopen. These plans were required to indicate how the provider would comply with new health regulations, provide enhanced staff training, and use new payments provided by the state. These new payment practices went into effect on June 1 and lasted through August 28. They included subsidy payments based on enrollment, rather than attendance, for those providers who reopened, as well as a temporary rate enhancement to support reopening costs. For providers who did not reopen, reimbursements were no longer provided.

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South Carolina

South Carolina received $63.7 million in supplemental CCDBG funds through the CARES Act. The state offered child care assistance for parents who were deemed essential workers. Parents did not have to meet any income guidelines for this time-limited program. South Carolina also used these supplemental funds to offer one-time cleaning grants to help providers cover additional cleaning and sanitation costs during this time. Centers could apply for $600, and family and group homes were eligible for $300.

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South Dakota

South Dakota received $9 million in supplemental CCDBG funds through the CARES Act. South Dakota did not order all child care programs to close, and rather, allowed each provider to make the determination on its own. The state recommended that all programs that remained open adhere to CDC guidance.

South Dakota's Division of Child Care Services considered COVID-19 a "special circumstance" and therefore, programs were permitted to have additional children in care until schools reopened. No more than two additional children were permitted in family child care homes, no more than three additional children for group homes, and no more than an additional 20% of the licensed capacity for centers. Any additional children were to be included in staff-to-child ratio requirements. The state asked child care providers to be flexible with staff who were ill or caring for sick family members and recommended contingency planning for staff shortages in order to meet staff-to-child ratios. South Dakota also asked providers to work with parents to identify children with special health conditions that placed them at higher health risk so that they could take appropriate precautions. The state also recommended avoiding mixed age classrooms, staggering transition times, limiting visitors, and adhering to other health and safety guidelines to reduce the spread of the virus.

The state established a grant program to provide one-time assistance to licensed providers that were open or planned to reopen. Grant amounts were based on provider type and enrollment. The South Dakota Department of Social Services noted that home-based providers could receive up to $2,520 and center-based providers could receive up to $26,000.

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Tennessee

Tennessee received $82.4 million in supplemental CCDBG funds through the CARES Act. The state used its funds on an Essential Employee Child Care Payment Assistance Program, a new category of child care assistance intended to support working parents who were on the frontlines or were categorized as essential during the coronavirus. Parents were not subject to income requirements, and the program lasted until mid-August.

The state covered subsidy payments at enhanced rates, based on enrollment rather than attendance, for all children in the Child Care Payment Assistance Program through June 30. Between July and August, providers that remained closed no longer received these payments. Tennessee recognized that families were struggling to pay child care rates that were higher than the state reimbursement rate. In order to prevent families from losing their child care spot due to this rate difference, the state announced Disaster/Emergency Response and Recovery Operations Cost Grants. Providers were eligible to receive payments in intervals of two weeks or 30 days for any operational costs associated with opening during the pandemic and any differences between the provider's rate and the maximum state subsidy rate.

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Texas

Texas received $371.6 million in supplemental CCDBG funds through the CARES Act. The state used these funds to develop a new online child care portal specifically to help frontline employees locate child care and apply for subsidies. The state prioritized care for the children of healthcare and pharmacy workers, first responders, critical infrastructure workers, and child care staff who were still working to support others. Income eligibility was also expanded to 150% of the state median income, or about $99,000 annually for a three-person household. The state dedicated $200 million of its supplemental CCDBG funds to subsidize three months of child care for these essential workers and to support the high cost for providers operating with reduced class sizes. Parents who qualified for the frontline subsidy were not required to pay a copayment or fees to access child care. For parents who were not eligible for assistance, providers were permitted to continue collecting tuition.

Licensed providers that remained open were required to complete an Emergency Notification Survey that collected information such as ages served, hours of operations, capacity, and ratio requirements. The state did not set reimbursement rates for child care subsidies across the state as 28 local Workforce Development Boards set reimbursement rates based on the type of program (center, home, etc.), age of children, and quality rating. These boards were responsible for developing planning and oversight responsibilities for workforce programs and services in their area, including the child care subsidy program.

For providers who were not licensed, Texas created a Temporary Emergency Child Care Operation permit valid for 60 days that was renewable through the extent of the pandemic. Each TECCO was only permitted to provide child care to essential workers or for children receiving protective services. These programs were required to comply with health and safety standards.

In May, the state offered Stabilization Grants to support the reopening of providers that temporarily closed. As of June 1, the state no longer covered parent copayments. However, providers received a 25% enhanced reimbursement rate when enrolled children were absent from child care.

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Utah

Utah received $40.4 million in additional CCDBG funds through the CARES Act. Most of this funding was used by the state to support child care providers who remained open through COVID-19. Specifically, the state created a Child Care Operations Grant program that provided child care providers with the financial means to stay open and operate during the pandemic, despite lower enrollment and higher operating costs. Utah continued to pay providers who had temporarily closed or had lower attendance. All parent copays were also covered. Additionally, eligibility for state child care subsidies was increased from 60% of the state median income to the federal maximum of 85% ($64,941 for a family of four).

The state saw 40% of its licensed home- and center-based providers close during the beginning of the pandemic. Utah was concerned that the programs that were temporarily closed would permanently go out of business.

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Vermont

Vermont received $4.4 million in supplemental CCDBG funds through the CARES Act. The state implemented a series of measures to support programs providing child care to essential personnel, and developed a tuition support program to allow programs to pay their staff during the closure period. Emergency child care was prioritized for children whose parents or guardians were health care system employees, first responders, or essential government employees who were responsible for the execution of the COVID-19 response. Programs operating as emergency child care received an additional $125 each week in supplemental pay (on top of tuition) per child served in emergency care. Programs that were closed, if they committed to fully paying all staff and to asking families to pay half of their usual tuition (or usual copay, if they received subsidy), received full tuition payments for each enrolled child. A family that chose not to pay the 50% to their provider could unenroll their child and the state would cover the full cost of the usual tuition, up to $360 each week, until the provider had filled the slot. The intent around paying 50% of tuition was to help ensure programs remained stable and could reopen when stay at home orders were eventually lifted. The state noted that unemployment insurance didn't cover ongoing expenses such as mortgages or lease payments, utilities, or other fixed costs. Families who could not pay, or who had seen a change in income due to work disruptions could apply for the state's subsidy program.

On April 27, Mike Smith, the secretary of the Vermont Agency of Human Services, which oversees child care in the state, announced during a press conference that child care programs would likely be allowed to reopen to non-essential workers sometime in June.

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Virginia

Virginia received $70.8 million in supplemental CCDBG funds through the CARES Act. Virginia used all of its supplemental funding to support providers in several ways. First, the state provided incentive grants through June to child care providers that were open. Licensed home- and center-based providers, and unlicensed providers that were approved subsidy vendors, were eligible to receive an amount each week equal to $25 multiplied by half the provider's licensed capacity. Because this grant calculated funding based on capacity, Virginia intended to use it to support providers through periods of low-attendance. The state also covered co-payments through June for low-income, working families who received federal child care subsidy dollars. Additionally, the state provided funding for child care providers that participated in the federal subsidy program but had to close.

On June 5, most of the state entered Phase II of the state's reopening plan and child care providers were permitted to reopen with group sizes limited to 12 (including staff) if they served children under 4 years of age.

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Washington

Washington received $58.6 million in supplemental CCDBG funds through the CARES Act. The state deemed child care businesses and workers essential and did not require them to close. However, data from the state showed that over 25% of providers temporarily closed representing 35% of licensed capacity in Washington.

Washington distributed $29 million of its supplemental CCDBG dollars via a Child Care COVID-19 Grant Program to support providers that remained open. These one-time grants were based on licensed capacity. Small providers were given $6,500, medium-sized providers received $11,500, and larger providers received $14,000. These grants could be used to pay for ongoing rent or mortgage payments, the salaries of personnel, utilities, health and safety supplies and cleaning or food purchases. All licensed providers that remained open were eligible to apply for these grants in mid-May.

The state also used its funds to waive family copayments for April, May, and June. The Washington State Department of Children, Youth & Families estimated that such payments would exhaust most of the state's CARES Act funds by the end of June. Licensed providers were temporarily allowed to claim subsidy payments based on enrollment rather than attendance from March 16 through June 30, regardless of whether the provider had temporarily closed or remained open. The state also relaxed requirements for unemployed families to regain eligibility when their 12-month subsidy eligibility expires.

In an effort to enable providers to care for more children during a low-attendance period, the state granted waivers allowing providers to care for children in mixed-age groups.

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West Virginia

West Virginia received $23 million in supplemental CCDBG funds through the CARES Act. The state provided child care assistance for any parent who had been deemed an essential worker and provided funding directly to providers at an enhanced rate while funding remained. Nearly 700 child care providers registered with the state as "critical child care sites" to remain operational to help serve the children of essential personnel.

As West Virginia residents began to return to work, Gov. Jim Justice (R) announced guidelines for child care programs considering reopening, including a requirement that all child care staff be tested for COVID-19. The state covered all costs for providers and employees to receive testing, and those without insurance did not face charges or copays. The West Virginia National Guard was instructed to assist with testing if needed. Providers were also required to submit a checklist to the state about their intent to reopen under new health and safety preparedness guidelines. The submission had to include plans to cover staff absences, measures to prevent the spread of the illness, and plans to implement social distancing and smaller ratios.

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Wisconsin

Wisconsin received $51.6 million in supplemental CCDBG funds through the CARES Act. The state used its CARES Act funding to implement a COVID-19 Emergency Payment Program, "Child Care Counts," to support child care providers in weathering this crisis. The state estimated that, due to declined enrollment and safety concerns, 40% of providers had temporarily closed. As such, several funding opportunities were offered.

First, the state supported providers via grants intended to defray the costs associated with paying staff and operating during the pandemic. Center-based providers received a base amount of $9,000 and home-based providers received $6,000. Funding amounts increased according to the number of children attending full-time care, up to $1,200 per child. Applications for this program were open from June 8 to June 19. Second, the state offered incentive pay for child care providers and teachers who remained open and working to provide care for the children of essential workers. Providers received $5 per hour, up to 40 hours per week, for each staff member working.

To support child care programs that had closed, Support for Temporarily Closed Child Care Programs grants were offered to help providers cover the costs of retaining staff and reopening programs once Wisconsin's workforce could return to normal operations. These funds were required to be used for reopening within 30 days of receiving such funding. Providers received up to $1,000 per full-time staff and up to $700 per part-time staff. Each provider could not receive more than $10,000. Providers could apply for this grant between from June 29 to July 10.

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Wyoming

Wyoming received $4.1 million in supplemental CCDBG funds through the CARES Act and as of May 1, had committed $3.6 million. Additionally, the Wyoming Department of Workforce Services identified $2.5 million from other funding sources to support child care throughout the state. The state identified child care as a "critical part of the infrastructure of Wyoming, allowing essential systems to function" and therefore, beginning May 1, permitted child care providers to reopen under alternate health and safety recommendations, such as smaller group sizes and screening procedures.

Programs that were open were required to prioritize child care for the children of essential personnel and to register as an Emergency Child Care Facility. The state created a portal to update essential parents who needed child care on the daily capacity of each emergency child care provider. Wyoming also created a website for providers to find substitute workers.

Before instituting a plan for CARES Act funding, Wyoming conducted a survey of over 200 child care programs and other organizations serving youth throughout the state to understand the needs of those businesses and organizations. Two-thirds of respondents reported they were unable to access funding under the CARES Act for other business supports outside of CCDBG. When asked what supports or resources were needed to keep programs in business and allow them to reopen when the time comes, nearly half said they would need funding for tuition replacement and 45% said they would need program stabilization funding for their business to meet basic costs. Wyoming used supplemental CCDBG funds to offer a one-time stipend for all licensed providers and pay subsidies to providers based on enrollment, rather than attendance.

Additional Information

U.S. Virgin Islands

The U.S. Virgin Islands identified child care as an essential service. The territory anticipated that the additional CCDBG funds provided in the CARES Act would last through July. These funds were split among three core activities: paying for direct grants to providers (33%), continuing subsidy payments to providers based on enrollment (34%), and providing sanitation and cleaning supplies (33%).

Guam

Guam received $6.4 million in supplemental CCDBG funds through the CARES Act. On May 20, Rep. Michael San Nicolas (D) reported that he had received complaints that providers were not receiving this funding. San Nicolas urged the state government to make this funding available.

Puerto Rico

Puerto Rico received $31 million in supplemental CCDBG funds through the CARES Act.