



Arkansas's Response to COVID-19: Child Care Actions

Fact Sheet | January 2021

On March 27, 2020, the CARES Act was signed into law, including \$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 represents a 60% increase in total discretionary appropriations for fiscal year 2020, which amounts to \$9.326 billion. States were given broad flexibility for how to use this funding and have therefore taken a variety of approaches to help address needs of working families and providers through COVID-19. However, as the funds ran out during the ongoing crisis, many states began pulling from other sources to continue supporting parents and providers alike. This fact sheet explains the actions Arkansas took to support the child care industry and working parents through 2020.

Arkansas received \$41.5 million in supplemental CCDBG funds through the CARES Act.

The state planned to use an estimated \$15 million of this funding to increase subsidy reimbursement rates for child care providers caring for children of frontline workers. Through the end of December, and for each child receiving a federal subsidy through the state, providers received an additional \$10 per infant/toddler, \$7 per pre-school-aged child, and \$5 per each school-aged child.

To further support essential workers, \$18 million of the CCDBG funding was allocated to provide short-term care for frontline workers with young children. This program directly paid qualified child care providers, regardless of the parents' income.

Acknowledging the financial burden of new safety precautions, \$12 million was distributed over the summer in a one-time supplemental maintenance payment to child care providers that had been open since March. A portion of

these funds were distributed with the intention to offset the costs of deep cleaning and sanitation as well as to help providers meet standards to operate safely while there was community spread of the virus.

Beyond using CCDBG funds from the CARES Act to support child care, Arkansas also used Community Development Block Grant funds to support small business—including child care providers—through bridge loans.

With all the continued support, the state estimated that half of the 2,000 child care providers that were licensed in the state prior to the pandemic were able to stay open during the emergency.

At time of publication, Arkansas had yet to announce plans to support child care providers throughout the winter or into 2021. Arkansas also had not announced whether it would offer subsidy payments based on enrollment or attendance through winter of 2021.