



Indiana'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 Indiana took to support the child care industry and working parents through 2020.

Indiana received \$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 that were meant to assist providers in covering the impact of lost revenues from private-pay children staying home due to the pandemic. Grants were intended to allow programs to continue paying their staff, to ultimately ensure the reopening of these programs. Any provider eligible for CCDGB funding were eligible for these grants. Over the first month of Temporary Assistance Grants, over 2,000 programs received a total of nearly \$20 million in relief. Of those who applied, 55% were home-based providers, 32% were center-based, and 13% were faith-based. This program ended in July.

Child Care Closure Assistance Grant replaced the Temporary Assistance Grants. Grants were awarded to programs for the purpose of continuing to regularly pay child care staff and maintaining operations during any temporary closure due to a COVID-19 case. Grant awards were capped at \$20,000. This program was evaluated every two weeks throughout the fall to determine if funding was still available. Funding most recently was extended through January, 2021 with potential for further extension.

To support child care providers as they worked to meet an increased demand for school-age care during the fall, the state issued guidelines encouraging schools to work

with community-based programs to provide supplemental care during regular school hours if a school was closed or operating virtually.

For families who chose to create formal learning collaboratives in a home setting, Executive Order 20-40 temporarily suspended child care home licensure requirements. In effect, this action allowed up to 10 unrelated children to engage in digital or virtual learning in a residential setting on school days.

Early Learning Indiana announced it would provide nearly \$12 million in grants to child care programs in January as a part of its Come Back Stronger Fund, after receiving a more than \$10 million award from the Indianapolis-based Lilly Endowment Inc. The Early Learning Indiana grants were intended for sanitation needs, additional staffing to help minimize COVID-19 exposure, and purchase of material or toys needed to limit cross-contamination between children's use. The grant could also be used toward efforts designed to help address learning loss sustained during the coronavirus pandemic.

At the time of publication, Indiana had yet to announce any additional plans to provide support to child care providers, or to expand availability and funding for school-age care during the 2020-2021 school year.