



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

Missouri received \$66.5 million in supplemental CCDBG funds through the CARES Act.

The state expanded income-eligibility for child care subsidies from 138% (\$30,000 for a family of three) to 215% (\$45,000 for a family of three) of the Federal Poverty level. From May 1 to August 31, parents that were working or attending school and/or a training program who met these income requirements were able to receive a Transitional Child Care Subsidy. Missouri also offered temporary subsidized child care for 90 days while low-income, unemployed parents found work. Both of these policies expired on December 31 and were estimated to cost a total \$14.4 million.

From April through June, programs that remained open to provide care for the children of essential workers during the summer were eligible for one-time grants from \$1,000 to \$7,500. Providers operating during nontraditional hours were also eligible for \$100 monthly stipends per child April to June, for a total cost of \$4.2 million to the state. Providers also received subsidy payments based on enrollment rather than attendance through June 1, when the state reverted to attendance-based payments. This policy was estimated to cost \$20 million.

Missouri also distributed \$10 million in one-time competitive grants to allow institutions of higher education to establish on-campus child care programs. The state collaborated 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.

On December 30, the state announced an additional \$46 million in child care funding to ensure providers could support the needs of working families, especially those with low incomes, during COVID-19. This included a new \$2.5 million grant opportunity for school-age care providers across the state: providers could receive up to \$25,000 to support the needs of school age children who were virtually learning while in their care. To help offset income loss due to low attendance during COVID-19, the state used \$12 million to fund 20% rate differential payments from January through May 2021 for Child Care Subsidy Program providers not currently receiving increased payments.

These funds also included continuation of several vital child care benefits: \$10.9 million for temporary Child Care Subsidy benefits (up to 60 days) available from January through May 2021 for low-income families unemployed due to COVID-19, while searching for work. This is a one-time benefit for Missouri parents. Additionally, \$12.8 million were allocated for additional Transitional Child Care Subsidy benefits through December 2021 for parents who work, attend school, a job training program, and who have incomes that may not have previously qualified for the Child Care Subsidy program. For a three-person household, families that earn between \$29,973 and \$38,227 a year will receive an 80% subsidy benefit and families that earn between \$38,444 and \$46,698 a year will receive a 60% subsidy benefit.

Lastly, \$8.5 million were used to support and extend child care subsidy benefits through May 2021 for working parents with eligible school-aged students who are not attending school in person and instead were virtually learning in child care.