



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

North Dakota received \$6 million in supplemental CCDBG funds.

The state primarily used these funds to offer Child Care Emergency Operating Grants to licensed providers who remained open and prioritized children of essential workers. This noncompetitive grant could be used fully at the provider's discretion. Awards were calculated based on provider type and licensed capacity with payments ranging from \$35 per child to \$70 per child for each two-week service period.

The North Dakota Emergency Commission and state legislature extended this program multiple times through July. The program distributed \$26 million to support providers. With the grant set to expire on August 14, the state provided an additional \$12 million to fund the program through December 31, bringing the total investment to \$41 million—most of which the state funded with federal CARES Act dollars that were not originally dedicated to child care through CCDBG.

In April, May, and June, North Dakota paid providers who did not receive grant payments subsidy rates based on enrollment, regardless of attendance. Providers who received grant funding during those months were only paid \$50 per child, per month, for children who did not attend more than 40 hours during the month. On September 2, the state released guidance indicating that the subsidy policies would remain in place until further notice.

Under modified operating approaches, the state also allowed school districts to help care for children in grades K-5 whose parents worked in vital health, safety, and lifeline services.

The state's Emergency Operation Grants expired on December 30, and at the time of publication, the state had yet to announce whether its subsidy payment policies would continue into 2021.