



Colorado's Use of CRRSA Child Care Funding

Fact Sheet | March 2021

Colorado received **\$119 million** in supplemental CCDBG funding from the Coronavirus Response and Relief Supplemental Appropriations Act, passed in December 2020. This is in addition to **\$42.5 million** in supplemental CCDBG funding the state received in the CARES Act, passed in March 2020.

States were required to submit a plan for their use of CRRSA funds to the Department of Health and Human Services by February 26, 2021. On February 24, the state sent a letter to HHS including plans to offer support to child care providers and families during and after the pandemic, although specific levels of funding associated with these plans were not available.

Support for providers. Several different grant opportunities will be available to support the workforce and provide mental health services (both described below). Additionally, the state will develop Community Innovation Grants--competitive grant opportunities to eligible providers and community-based organizations to identify and implement “transformational solutions” within at least one of four focus areas: child care accessibility, parent choice, infant and toddler care, equitable access to care, and sustainable business practices. Examples of solutions could include employer-based cost sharing, shared services model, and expanding access to care for children with special needs or who are infants and toddlers.

The state also plans to enhance child care resource, referral, and inclusivity through family child care home navigators and training and grant opportunities for universally designed environments for children with special needs.

The state has proposed to use funds to increase provider reimbursement rates for all providers participating in the state's subsidy system and temporarily cover additional paid absences.

A portion of the funds will be used to provide technical assistance to providers.

Support for families. Colorado will use funds to provide direct child care relief to families in the state's subsidy system by permanently lowering parent fees and temporarily covering additional paid absences.

The state will dedicate funds to expanding mental health services to identify, treat and reduce the impact of mental health problems among children from birth to age six and their families. The state is also planning to build the long-term capacity of mental health consultations within early childhood programs and systems in the future.

Support for the workforce. To rebuild the early childhood workforce, the state will invest in recruitment and retention strategies which includes increasing funding for scholarships, apprenticeships, loan forgiveness, and professional development bonuses. Additionally, programs will be encouraged to use funds to maintain employees' work hours and provide hazard pay and benefits.

More information available [here](#), including how the [state spent its CARES Act funding in 2020](#).