

## Missouri's Use of CRRSA Child Care Funding

Fact Sheet | March 2021

**Missouri** received **\$185 million** in supplemental CCDBG funding from the Coronavirus Response and Relief Supplemental Appropriations Act, passed in December 2020. This is in addition to **\$67 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 25, the state announced plans to allocate funds; however, the funding must be presented during the state's supplemental budget process. Missouri will not have final budgetary approval on the funds until April or May 2021.

**Support for providers.** A subsidy rate increase will be in effect from June 2021 through May 2022. Providers are currently receiving a 20% increase (from January 2021 through May 2021) from CARES Act funding. Providers who are serving foster care children will receive an additional increase. The funds are intended to support providers in covering lost revenue due to declined enrollment or attendance. It will also help to set subsidy payments closer to the recommended 75th percentile of market rates, as Missouri currently pays 55%. The state mentions their new market rate survey should have been completed by May 2021, but that a waiver is being requested to delay the survey for one year to receive better data.

In addition to the rate increase for subsidy providers, Missouri will provide one-time stipends to both subsidy and non-subsidy child care providers. This will assist with debts or outstanding payments, cover increased operational costs including stricter staffing ratios. Providers that are open and intend to stay open can request the funding through a short application process.

Missouri will separately offer stipends to providers who offer non-traditional hours of care, either currently or who agree to in the future.

Additionally, grants will be offered between July 2021 through 2021 for providers to cover the costs of opening, reopening, expansion, and upgrading their facilities. These grants will allow for the additional lease and staff costs for new or expanded space, and to meet licensing requirements such as abatements, cooking or cleaning equipment, repairs, safe sleeping, seating, and supplies. To qualify for this grant, providers must go through a one-on-one consultation (which will be offered online) with the University of Missouri's Small Business Development Center to promote strong business operations. Awards will be based off actual expenses, and providers must submit invoices for reimbursement.

**Support for families.** The state will allow job search as a qualifying activity for a child care subsidy.

**Other.** Missouri plans to allocate funds to higher education institutions to create or expand on-site child care, including by offering wrap-around services for students.

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