



## Alabama's Use of CRRSA Child Care Funding

Fact Sheet | March 2021

**Alabama** received **\$188 million** in supplemental CCDBG funding from the Coronavirus Response and Relief Supplemental Appropriations Act, passed in December 2020. This is in addition to **\$65 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 22, the state sent a letter to HHS including plans to support child care providers and families with the funding. The state said it is still in the process of determining how it plans to spend all supplemental CCDBG funds and will finalize plans by June 2021.

**Support for providers.** Alabama will offer a grant program called the Temporary Assistance for Stabilizing Child Care Round 2 to address the additional operational costs incurred by the pandemic. In order to be eligible for these funds, child care facilities must be licensed, in good standing with the Department, open and operating, and committed to remaining open for one year from the date of receiving the grant. In addition, licensed facilities are eligible regardless of participation in the state's subsidy program. Each facility is qualified to receive \$500 per child (based on capacity, not enrollment). Funds can be used to cover any costs incurred due to adhering to CDC guidance such as measures to limit contact between individuals, equipment, retaining or hiring employees (including teacher pay), classroom supplies, unreimbursed food, facilities costs, and tuition relief for families.

Additionally, providers serving families who are health care employees and emergency responders will receive 125% of the base reimbursement rate within the subsidy program.

**Support for families.** Alabama will offer direct child care subsidies to health care employees and emergency responders regardless of income level. The state has developed a "protective services" group to offer child care to these families who are eligible without regards to income, and has a waiver to serve these families for less than twelve months.

**Support for state agencies.** The state will also allocate a portion of the funds to update the Department's child care information system to include data on real time attendance, supply and demand, capacity and utilization rates, and openings and closures. The current system is outdated and the Department has had to rely on manually tracking down information on facilities throughout the pandemic.

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