



Arizona's Use of CRRSA Child Care Funding

Fact Sheet | March 2021

Arizona received **\$249 million** in supplemental CCDBG funding from the Coronavirus Response and Relief Supplemental Appropriations Act, passed in December 2020. This is in addition to **\$88 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 sent a letter to HHS describing plans to expand access to quality child care and provide support to low income working families, though specific funding amounts were not provided.

Support for providers. Through the Child Care Stabilization Grant Program, all licensed providers will be eligible for financial relief necessary for operational costs to remain open and operating. Providers can use funds on employee salaries and benefits, tuition relief for families, operating costs, and additional supplies needed to adhere to health and safety guidelines. The state will also expand and increase tiered reimbursements to continue supporting and increasing access to quality child care. Additional funding will also be used to expand the state's Quality First Program by focusing on recruiting providers who are Spanish speaking, on tribal lands, expanding the supply of infant and toddler care, and serving children in the child welfare system.

The state is setting aside funding to provide training and technical assistance for the rollout of the Child Care Management Software to enhance business practices and help providers track finances, enrollment, attendance, and reporting.

The state will use funds to expand Early Childhood Mental Health Consultations to all providers participating in the state's quality rating system and serving children connected to the Department of Child Safety, the state's child welfare department.

Support for families. Arizona will allocate funds to continue the suspension of the child care waitlist through June 2023. Required co-pays will be reduced to \$1 per child per day (50 cents for co-pays currently at \$1) to alleviate the cost of child care and allow parents to return to work. Additionally, the state will increase reimbursement rates to the 50th percentile of the 2018 Market Rate Survey to cover a greater portion of child care costs. To further assist parents, the state plans to provide full-day reimbursement rates for children participating in the child welfare system and using child care services. This will provide financial relief for foster parents and providers when children are taken out of child care required services and visitation.

Support for the workforce. The state will allocate funds to public universities and community colleges to provide scholarships for students enrolled in nursing, early childhood education, or K-12 education programs.

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