



South Dakota's Use of CRRSA Child Care Funding

Fact Sheet | March 2021

South Dakota received **\$26 million** in supplemental CCDBG funding through the Coronavirus Response and Relief Supplemental Appropriations Act, passed in December 2020. This is in addition to **\$9 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 submitted a letter to HHS describing how it plans to spend the supplemental CCDBG funds, though exact funding levels for each initiative were not provided.

Support for providers. Funding will be used to offer stabilization grants to all licensed or registered providers to help cover increased operating expenses related to COVID-19. Funding may also be used to support training for staff, including social emotional supports and materials, expansion of play therapy specialists, and to assist providers with various certification and training fees.

The state also intends to provide stabilization payments that will strengthen providers not participating in the state's subsidy system to ensure those settings can maintain operations and meet the needs of families. Funding will also help recruit new providers, particularly family child care providers. South Dakota established a goal of recruiting 200 additional family child care providers with these funds.

Support for families. The state will use funds to reduce or eliminate out-of-pocket child care expenses, which will allow families to use their resources on other necessary expenses such as food and rent.

Technology upgrades. The state maintains a technology platform that is over 25 years old and lacks ability to interface in real-time with providers and families. In South Dakota, providers may need to travel great distances to attend required training or to access tools and training that support children and families. Funds may be used to modernize the program, including: developing an online application and billing system, online licensing and training programs, and expanded accessibility for online quality rating trainings.

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