



## Wisconsin's Use of CRRSA Child Care Funding

Fact Sheet | March 2021

**Wisconsin** received **\$149 million** in supplemental CCDBG funding through the Coronavirus Response and Relief Supplemental Appropriations Act passed in December 2020. This is in addition to the **\$52 million** in supplemental CCDBG funding the state received from the CARES Act 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 March 4, the state announced a two-phase plan for allocating the funding for fiscal years 2021 and 2022. This plan must be submitted to the state's Joint Committee on Finance where it will be reviewed before funds can be dispersed. A summary of the plan is below.

### Phase 1

**Support for providers.** The state plans to administer two additional rounds of the Child Care Counts program in 2021. Specifically, \$60 million will be allocated in the spring and \$46 million in the summer. These funds would support providers that are open by funding quality programs and staff, as well provide support for temporarily closed providers who are still providing support services to children and families. The Child Care Counts programs are time-limited payment programs designed to provide assistance to child care providers, originally developed in 2020 with CARES Act funding. In 2020, there were two types of assistance – Program A and Program B – and providers could apply for both grants. Program A provided funding to cover the costs of maintaining safe, high-quality care, while Program B provided funds to be used as incentive pay to retain employees. The state provided two rounds of these noncompetitive grants in 2020. Any changes in these programs for 2021 were not immediately specified.

The state will also invest \$10 million to support the development of critical technology infrastructure, including internet access and other technology services, to help reduce the costs for providers. Another \$5.5 million will be used to create and expand shared services networks to help maximize resource and administrative efficiencies.

**Support for child care workers.** Wisconsin plans to use \$10 million if its supplemental CRRSA funding to supplement child care wages and reach compliance with federal and state background check requirements. The state mentions this will help address the 40% turnover rate among early childhood staff and low average wages.

### Phase 2

**Supporting Families and Employers.** In fiscal year 2022, the state will invest \$10 million to incentivize private sector partnerships with child care businesses. Specifically, the program will offer funding to businesses to purchase infant and toddler slots for their employees. It will require businesses to provide matching funds, with the goal of enabling a seamless transition to employer-supported child care.

**Support for child care workers.** Wisconsin will spend \$5.5 million to recruit and retain new early childhood educators, including by modernizing the training curriculum, implementing new best practices,

translating the programs into various languages, and allowing the trainings to be accessible online across the state.

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