

CHILD CARE RESCUE: HOW STATES ARE USING THEIR AMERICAN RESCUE PLAN ACT CHILD CARE FUNDS

By Karen Schulman

Introduction

The COVID pandemic placed immense pressure on an already fragile child care system. Many child care programs were required to shut down—for at least some period of time—due to state health and safety mandates. Many programs served fewer children because parents were no longer working, were taking care of their own children while working from home, or were reluctant to bring their children to a group setting due to health concerns. Reduced enrollment combined with increased costs for health and safety measures and materials made child care providers' already precarious financial situation even more so—and many child care programs were forced to close entirely.

In a survey of more than 6,000 individuals working in child care centers and family child care homes conducted by the National Association for the Education of Young Children (NAEYC) in November 2020, 56 percent of child care centers reported that they were losing money every day they were open, and 81 percent of respondents from open programs reported they were serving fewer children than prior to the pandemic, with an average decline of nearly one-third.¹

Recognizing that the child care system was on the brink of collapse, and the drastic consequences for children, families, and our economy if that were to happen, Congress included significant new funding for child care in the American Rescue Plan Act (ARPA), signed into law by President Biden in March 2021. This funding supplemented existing funding for the federal Child Care and Development Block Grant (CCDBG) program, which provides funds to states to help families afford child care and improve the quality of care—and which has long been vastly underfunded. ARPA provided \$14.99 billion in supplemental CCDBG discretionary funds and \$23.975 billion for child care stabilization grants and increased annual mandatory CCDBG funding by \$3.55 billion.²

ARPA followed previous, smaller rounds of child care relief funding, including \$3.5 billion in supplemental CCDBG discretionary funds provided through the Coronavirus Aid, Relief, and Economic Security (CARES) Act,³ which was signed into law in March 2020, and \$10 billion in supplemental CCDBG discretionary funds through the Coronavirus Response and Relief Supplemental Appropriations (CRRSA) Act,⁴ which was signed into law in December 2020.

States can use their ARPA child care discretionary funds for purposes consistent with CCDBG. However, the ARPA discretionary funds are not subject to the usual CCDBG requirements that states set aside 8 percent of the funds for quality improvement initiatives, 3 percent for activities to increase the supply and quality of infant and toddler care, and 70 percent of the remaining funds (after the set-asides) for direct services. In addition, although CCDBG generally only allows states to set their income limits for child care assistance up to 85 percent of state median income, states are permitted to use their ARPA child care discretionary

funds, in limited circumstances, for child care assistance for children of essential workers, regardless of income. While states have leeway in how they use their ARPA child care discretionary funds, guidance from the federal Office of Child Care strongly recommends that states prioritize increasing provider payment rates and workforce compensation.⁵ States have until September 30, 2023, to obligate (commit) the ARPA discretionary funds, and until September 30, 2024, to liquidate (expend) the funds.

States must spend 90 percent of their ARPA stabilization funds (at least 80 percent for tribes) as subgrants to qualified child care providers. Providers can spend these funds on a variety of operating expenses, including wages and benefits, rent and utilities, cleaning and sanitization supplies and services, and many other goods and services necessary to maintain or resume child care services. States may spend the remaining funds on administrative activities, supply-building activities, and certain types of technical assistance. The ARPA stabilization funds are exempt from the usual CCDBG set-asides and CCDBG's limitations on administrative expenses. Office of Child Care guidance emphasizes the importance of ensuring that the stabilization grants reach the full range of providers, including different types of providers—from child care centers to family child care providers to school-age programs—and providers in underrepresented communities. States had until September 30, 2022, to obligate their ARPA stabilization funds (although they were strongly encouraged to obligate at least half of the funds by December 11, 2021), and have until September 30, 2023, to liquidate the funds.⁶

Summary of State Uses of ARPA Child Care Discretionary Funds

States are using or plan to use their ARPA child care discretionary funds to support a range of purposes aimed at increasing families' access to help paying for child care, supporting the child care workforce, improving the quality of child care, and building the supply of child care. Some states devoted all or most of their ARPA discretionary funds for a single purpose, while others spread the funds across a range of activities. Note that this report only covers activities and initiatives supported by ARPA discretionary funds; if an activity is not included in a state's description, that does not necessarily mean that the state is not supporting that initiative, as the state may be supporting it with state or federal funds other than ARPA discretionary funds.

States' uses of their ARPA discretionary funds include: Supporting the child care workforce through initiatives to boost compensation, increase recruitment and retention, and/or expand professional development opportunities. For example:

KANSAS is providing \$53 million in Workforce Appreciation bonuses, available to all full-time and part-time child care employees of licensed child care programs.

MONTANA provided workforce retention and incentive payments of \$600 to nearly 3,000 eligible providers in May 2022; in February 2023, those remaining in the child care field will be eligible for a second payment of \$1,000 and new providers can apply for a payment of \$600.

OREGON plans to fund health care and retirement benefits for child care providers.

WASHINGTON plans to support health insurance—with a \$0 premium—for providers and their staff who serve families receiving child care assistance.

Expanding access to child care assistance, by increasing the income limit, broadening eligibility in other ways, serving families on the waiting list, or other steps. For example:

NEW MEXICO increased its income eligibility limit to qualify for child care assistance from 200 percent of poverty to 350 percent of poverty and then to 400 percent of poverty.

Raising provider payment rates, increasing or adding tiered payment rates for higher-quality care, adopting higher payment rates for specialized care, and/or improving payment practices. For example:

NEW JERSEY is implementing differential payments to providers serving children receiving child care assistance; these payments provide up to \$300 for full-time care, or \$150 for part-time care, per eligible child, per month above the baseline payment rate and will continue through December 2023.

NEW YORK raised its payment rates to providers serving families receiving child care assistance to the 80th percentile of current market rates as of June 1, 2022.

Waiving or reducing copayments for families receiving child care assistance. For example:

INDIANA waived copayments for families receiving child care assistance from March 28, 2021, to April 30, 2022.

Increasing the supply of child care, often with a focus on those types of care or communities with the most acute shortages.

For example:

OKLAHOMA plans to provide Child Care Desert start-up grants to build supply in underserved areas and Special Needs grants to increase the supply of child care for children with disabilities.

Expanding or establishing quality rating and improvement systems. For example:

ARIZONA planned to expand its quality rating and improvement system (Quality First), with a focus on critical gaps in access to care, including providers serving children receiving Department of Child Safety (DCS) services, Spanish-speaking providers, tribal providers, and infant and toddler care.

Expanding early childhood mental health services. For example:

RHODE ISLAND is expanding existing early childhood mental health consultation services and programming to family child care providers and implementing a coordination of care team to address the needs of families, staff, and programs.

Helping providers improve their business practices. For example:

TENNESSEE is providing early childhood educators with technology hardware along with coaching and technical assistance on using the equipment to strengthen business operations.

Providing grants to communities to strengthen their early childhood systems. For example:

GEORGIA plans to fund 10 new Community Transformation Grants (CTG) and extend existing CTGs to support early education partnerships among community agencies and other stakeholders to develop and implement projects to address critical local needs.

Facilitating licensing for child care providers by waiving background check fees and/or offering other assistance. For example:

UTAH is planning to provide child care licensing grants for health and safety improvements, licensing fees, and background check fees.

Supporting parents and families through efforts such as parent advocacy opportunities and family resource centers. For example:

MAINE is expanding the Parent Ambassador program to empower more parent advocates and to include parents from family child care.

Supporting shared services models to allow smaller providers to share business, administrative, and other functions and costs. For example:

WISCONSIN plans to continue and enhance its Early Education Shared Services Network, which brings together family and center-based early care and education programs to pool resources and leverage economies of scale.

Strengthening management of state child care systems, such as by upgrading their technology, improving their data collection, and/or hiring or training administrative staff. For example:

MINNESOTA invested in technology improvements to its child care licensing system and child care assistance program.

State-by-state descriptions of the uses of ARPA child care discretionary funds are provided below following the introduction.⁷

Summary of State ARPA Stabilization Grants Data

While this report is primarily focused on how states are using their ARPA child care discretionary funds, Table 1 provides data on the number and types of providers receiving ARPA child care stabilization grants. Thus far, over 200,000 providers have received grants.⁸ Slightly over half of the grant recipients (51 percent) are child care centers, 42 percent are family child care homes, 4 percent are license-exempt relatives and home-based providers (family, friend, and neighbor care providers), and the remaining 3 percent are other types of providers.⁹ Grant amounts vary widely depending on the state and type of provider; in addition, some states factor in the number of children enrolled by the provider and/or criteria that qualify the provider for enhancements, such as being located in an underserved community. For example, grant amounts range from \$5,000 to \$361,000 in Alabama, and from \$607 to \$500,000 in Connecticut.¹⁰ (For more details about states' distribution of the ARPA stabilization grant funds, as well as ongoing updates on states' uses of their ARPA child care discretionary funds, see [Child Care Aware's State Tracker](#).)

States have used their ARPA child care funds for innovative and important strategies and activities to increase families' access to affordable, high-quality care so children can thrive and parents can work or attend education and training programs, and to improve child care workers' compensation and job conditions so they can support themselves and their families and remain in the field. Yet substantial gaps remain—for example, in August 2022, the child care workforce remained 8.4 percent below pre-pandemic levels.¹¹ States will not be able to address remaining gaps, or even sustain progress made thus far, without significant new long-term federal and state investments.

About This Report

The information in this report on states' uses of their ARPA child care funds was collected from state child care administrators during late 2021 and early 2022 through supplemental questions included in the National Women's Law Center's annual survey on state child care assistance policies. (The information on states' child care assistance policies collected through the survey can be found in NWLC's May 2022 report, [At the Crossroads: State Child Care Assistance Policies 2021](#).) The survey was sent to administrators in all states and the District of Columbia (counted as a state in this report). State administrators were recontacted in summer 2022 to give them an opportunity to verify and update the information on their states' use of the ARPA funds.

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State-by-State Descriptions of Uses of ARPA Child Care Discretionary Funds

ALABAMA: The state is using allotted ARPA child care discretionary funds to create a grant opportunity for eligible, licensed child care providers. Grant recipients will pay their eligible staff a bonus of up to \$3,000 per quarter for two years. Staff bonuses are available to both part- and full-time employees to assist providers in recruiting and retaining child care professionals to their facilities. The grant period began December 1, 2021, and will conclude September 30, 2023.

ALASKA: The state planned to use its ARPA child care discretionary funds to review and improve the child care assistance program to make it more accessible and supportive for parents and providers. This review, conducted by a contractor, would inform strategies such as:

- Supporting parents by covering the cost of copayments (for a period to be determined).
- Providing grants to families not typically covered by child care assistance, including those using nontraditional-hour care and those ineligible due to income such as parents working in the first responder and/or medical fields.
- Increasing provider payment rates.
- Improving provider payment policies.
- Broadening eligibility for child care assistance.
- Updating the family income and copayment schedule for child care assistance.

- Providing contracted slots to serve families receiving child care assistance.
- Improving the child care grant program and Alaska Inclusive Child Care Program (Alaska IN!), which helps families with children who have special needs access inclusive care and offers supplemental funding to providers for training, needed accommodations, and support to help them meet the child's individual needs.

The state also planned to use the ARPA child care discretionary funds to pilot a tiered payment rate initiative for infant and toddler care and to provide financial aid for providers who were not participating in the child care assistance program prior to the pandemic. In addition, the state is providing funds to foster families to cover the cost of child care expenses from June 2022 through May 2023.

ARIZONA: The state planned to use its ARPA child care discretionary funds for a range of strategies aimed at expanding access to child care, investing in quality, stabilizing the child care system, and accelerating educator support and early childhood literacy.

To expand access to child care, the state has continued the suspension of the waiting list for child care assistance, so that eligible families who apply for assistance receive it; increased payment rates for child care providers, including non-certified relative providers; and provided child care assistance to returning workers.

As part of its investment in quality, the state planned to expand the state's quality rating and improvement system

(Quality First), with a focus on critical gaps in access to care, including providers serving children receiving Department of Child Safety (DCS) services, Spanish-speaking providers, tribal providers, and infant and toddler care. The state also planned to provide early childhood mental health consultation to child care providers, with a priority for those who care for children involved with DCS. In addition, the state planned to implement a statewide accreditation program for school-age care and to assist providers in receiving national accreditation, with a priority for school-age programs and programs not participating in Quality First expansion. Arizona has implemented contracts with First Things First and the Arizona Center for Afterschool Excellence to help achieve these initiatives.

The state is supporting other activities to improve the quality of child care, including an increase in tiered payment rates; licensing modernization; training and technical assistance for contracted providers; the development of a common framework for data integration and fiscal mapping for early childhood education; evaluations to assess the impact of investments; funding to cover the cost of providers' health and safety certifications; and administrative infrastructure.

The state aimed to stabilize the child care system through an extension of the Essential Workers Child Care Relief Scholarship through September 30, 2021; and Child Care Workforce Retention and Recruitment Grants, which were awarded through August 31, 2021, and which child care providers with staff had to use on child care workforce salaries and benefits.

The state also has a contract with 11 community colleges to provide child care (or funding for care) for students in early childhood education, K-12 education, or nursing degree programs. The state has expanded child care for other full-time students in higher education or vocational programs as well. In addition, the Division of Child Care is collaborating with the Arizona Department of Education to build educator capacity; provide intensive literacy coaching; and expand high-quality early childhood programming, focusing on literacy support for children ages 3 and 4. Finally, the state is expanding the Imagination Library to families with children birth to age 5.

ARKANSAS: The state planned to use its ARPA child care discretionary funds to continue assisting the state's essential workforce in paying for child care services. The state also planned to use the funds for the Teacher Education and Compensation Helps (T.E.A.C.H.) Early Childhood Scholarship Program, to cover scholarships for early childhood teachers to obtain a degree or credential in the field.

CALIFORNIA: The state is using its ARPA child care discretionary funds to expand the number of subsidized child care slots through state fiscal year 2024-25.

COLORADO: The state is using ARPA child care funds, together with Coronavirus Response and Recovery Supplemental Appropriations (CRRSA) funds, to support a new program that will provide grants to child care providers and other community, education, or governmental partners around the state. The Community Innovation and Resilience for Care and Learning Equity (CIRCLE) Grants will support innovative projects that do one or more of the following:

- Make child care more affordable.
- Fill gaps in infant and toddler care.
- Strengthen child care providers' business practices to make them financially sustainable.
- Support the health and well-being of children and families.
- Boost child care workforce preparation.
- Enhance Part C (early intervention) and Part B (preschool special education) access and transitions.
- Contribute to the health and learning of all children, including those with special needs and dual-language learners.

CONNECTICUT: The state is using ARPA child care discretionary funds to enhance child care quality supports, provide behavioral health resources, and increase child care access for families. Efforts include:

- Supporting the work of existing and new regional staffed family child care networks to help family child care providers with COVID protocols, accessing federal funds, accessing supplies, quality improvement, and business supports.
- Significantly increasing payment rates and bonuses for NAEYC-accredited programs that serve children receiving child care assistance.
- Increasing access to child care assistance for families with incomes up to 60 percent of state median income and/or those in approved higher education and workforce employment and training programs.
- Providing bonuses to teachers in state-funded programs who have attained degrees, to support retention and degree attainment.
- Partnering with municipalities (50/50 funding) to open new public school preschool classrooms to support school readiness and help parents with child care.
- Expanding the use of the Parent Completed Child Development Screening Tool (App-Based).

- Intensifying the Early Childhood Consultation Partnership (ECCP) model to increase the number of providers, families, and children supported with clinical interventions to address behavioral health needs in both center-based and family child care settings.
- Covering fingerprinting costs for child care providers to reduce the fiscal burden on programs and the workforce.
- Supporting workforce pipeline pilots to address current child care workforce shortages through recruitment and on-the-job training.
- Providing individual and group financial and business supports to center-based and family child care providers to assist with improving the overall business health of the industry.
- Assisting with stabilizing and enhancing lab school activities within the early childhood education higher education community and extending that effort to the communities surrounding the lab schools.

DELAWARE: The state is using its ARPA child care discretionary funding to:

- Direct funding to providers to support wage boosts, through bonuses or other strategies, for existing staff.
- Expand support for family child care and implement a family child care network.
- Support shared services technical assistance hubs to allow a network of providers to share administrative and business functions.
- Provide faster development of a professional portal and incentives for professionals to sign up and extract and upload existing data; in-person and virtual training and technical assistance on using the portal will be available.
- Produce a study on a child care cost estimation model.

DISTRICT OF COLUMBIA: The District is using its ARPA discretionary child care funds to support an increase in payment rates for child care providers that went into effect as of October 2021. The District is also using the funds for the DC Leading Educators toward Advanced Degrees (LEAD) program, which provides expanded access to scholarships and incentives to child care educators to complete coursework toward an associate and/or bachelor's degree in early childhood education; the DC LEAD scholarship and incentive program was launched in June 2022 and replaces the previous T.E.A.C.H. scholarship program.

FLORIDA: The state is using its ARPA child care discretionary funding to:

- Compensate child care providers serving children with special needs by paying higher rates.
- Incentivize early childhood educators to earn early literacy micro-credentials.
- Maintain tiered payment rates for higher-quality programs that serve families receiving child care assistance.
- Provide a 20 percent payment differential for providers with Gold Seal accreditation that serve families receiving child care assistance.
- Provide additional direct service funding to maintain child care enrollments in all areas of the state.
- Support wage enhancements for child care workers in state-funded voluntary prekindergarten classrooms making less than \$15 per hour.

GEORGIA: The state is using its ARPA child care discretionary funds to help support a variety of strategies to expand access to child care assistance, improve the quality of care, and support the child care workforce.

To provide additional support to Georgia's families and child care providers and ensure that more children have access to quality early education opportunities, the state has expanded its child care assistance program, Childcare and Parent Services (CAPS), to serve 10,000 more children. The state has achieved this expansion by increasing the income limit to qualify for assistance from 50 percent to 85 percent of state median income, and by raising the cutoff to be in the "very low-income" priority group from 50 percent to 150 percent of poverty (families must be in at least one priority group to receive child care assistance through CAPS).

The state is also expanding families' access to child care assistance by extending Awarding Child Care Education Scholarship Supplements (ACCESS) through September 2023; with ACCESS, the child care assistance program pays a child care provider's full published rate, including the parent copayment and any remaining difference between the state's standard payment rate and the amount the provider charges to private-paying parents. In another step aimed at increasing access to early childhood services and resources, the state plans to fund 10 new Community Transformation Grants (CTG) and extend existing CTGs; these grants support early education partnerships among community agencies and other stakeholders to develop and implement projects to address critical local needs.

To help providers raise the quality of care they offer, CAPS has increased its tiered payment rates for higher-quality providers—from 10 percent to 25 percent above the base rate for providers with a one-star rating under the state’s quality rating and improvement system (Quality Rated), from 20 percent to 35 percent above the base rate for two-star providers, and from 40 percent to 55 percent above the base rate for three-star providers. In addition, to account for forecasted child care price growth between May 2021 and September 2022, the state planned to increase payment amounts for providers serving families receiving child care assistance by 7.87 percent as of October 2022.

As part of its efforts to raise quality, the state is also planning to offer a range of supports to child care providers, including resources and training to providers to strengthen their business practices; grants, training, and coaching opportunities for school-age programs; expanded community and family-based mental health supports through a cohort of infant and early childhood mental health (IECMH) consultants and up to five IECMH Consultation contracts; and Pyramid Model Training to help the early care and education workforce develop children’s social emotional skills, improve classroom climate, and use trauma-responsive practices. In addition, the state plans to award grants ranging from \$5,000 to \$40,000 to licensed centers and family child care homes to fund health and safety enhancements. The state is providing grants of \$125 to early childhood teachers to purchase classroom and program supplies for the 2022–23 school year as well.

To support the recruitment, retention, and professional development of the early learning workforce, the state planned to expand access to the Child Development Associate (CDA) credential, including by adjusting Department of Early Care and Learning (DECAL) Scholars eligibility criteria, paying the full cost of the CDA, contracting to offer the Teachstone CDA program for prekindergarten, Head Start, and Early Head Start programs, and partnering with higher education institutions to explore alternative pathways (such as on-the-job training and apprenticeships); expand formal education pathways for infant and toddler teachers; award innovation grants to develop early care and education pipeline supports; and expand the Online Learning Library Initiative (OLLI) on the Georgia Professional Development System (GaPDS) to include training curricula for target audiences, including substitute teachers and new teachers.

IDAHO: The keys ways in which the state plans to spend its ARPA child care discretionary funds include: grants to child care providers, wage enhancements for child care workers, an increase in the income eligibility limit to qualify for child

care assistance, a reduction in copayments for families receiving child care assistance, community partner grants, and technology improvements and advancements.

ILLINOIS: The state’s ARPA child care discretionary funds will support the new Early Childhood Access Consortium for Equity, designed to support higher education pathways for current members of the child care workforce.

INDIANA: The state has used its ARPA child care discretionary funds, together with other federal child care relief funds, for a number of purposes, including:

- Waiving copayments for families receiving child care assistance (in effect from March 28, 2021, to April 30, 2022).
- Allowing families to initially qualify for child care assistance while searching for a job (in effect from April 2021 until funds/demand are depleted).
- Waiving background check fees for individuals in the early care and education industry, including new and existing staff (in effect from April 2021 to April 30, 2022).
- Providing onboarding stipends of \$400 to child care programs for each new hire (in effect from April 2021 to April 30, 2022).
- Supporting one-time equipment and supply allowances to child care providers (in effect May 7 to July 31, 2021).

IOWA: Iowa allocated \$25 million in ARPA child care discretionary funds to the Investing in Iowa’s Child Care (IICC) project, which funds start-up or expansion child care projects. The rest of the ARPA discretionary funds are being used to fund recommendations in the Governor’s Child Care Taskforce report. Strategies include:

- Supporting a shared services model that will allow child care providers to access a statewide, web-based partnership platform for support on various business operations and administrative tasks.
- Increasing the number of days for which the state will pay providers while a child receiving child care assistance is absent from care from four to six per month.
- Funding T.E.A.C.H. educational scholarships and WAGE\$ stipends for the child care workforce to encourage and reward attainment of early education credentials.
- Increasing bonuses for providers with higher ratings in the state’s quality rating and improvement system.
- Supporting a collaborative grant with workforce development to support employer investment in child care options for their employees.
- Funding recruitment and retention bonuses for child care staff.

- Supporting a gardening and nutrition grant program to support nutrition education and local foods in child care programs.

KANSAS: The state has already invested \$7.7 million of its ARPA child care discretionary funds for a child care health consultant network with tiered supports. The tiered supports include assistance for those working to become licensed as they navigate licensing processes and resources for existing providers as they work to implement health practices, including grants to cover costs related to health and safety requirements.

The state plans to use the remainder of its ARPA child care discretionary funds for a range of strategies focused on increasing access to child care, improving the quality of child care, and boosting the child care workforce through the following initiatives:

- Provide \$53 million in Workforce Appreciation bonuses, available to all full-time and part-time child care employees who help keep the state's licensed child care programs open and operating.
- Implement a statewide quality rating and improvement system, Links to Quality, which will include grants, access to peer learning groups, and one-on-one technical assistance.
- Support the start of shared services networks, leveraging existing peer learning groups.
- Embed a career pathway into the state's existing workforce development resources to expand opportunities for growth and strengthen the workforce support system.
- Increase investment in scholarship opportunities for child care workers, including CDA credentials and higher education.
- Invest in community-level grants with technical assistance to help support them.
- Provide child care professionals with access to resources, articles, discounts, and telehealth services through adopting Shared Resources, a virtual hub of resources and tools.

MAINE: The state aims to use its ARPA child care discretionary funds for a range of strategies to expand access to child care, improve the quality of care, and bolster the child care workforce. The state planned to:

- Waive copayments for families receiving child care assistance and with incomes at or below 60 percent of state median income (through September 2023).
- Continue waiving child care licensing fees for two years to support new and existing child care providers.
- Ensure that there is no waiting list for child care assistance, so that eligible families who apply for assistance receive it.
- Pay child care providers serving children receiving child care assistance based on enrollment (as opposed to attendance).

- Expand the Parent Ambassador program to empower more parent advocates and to include parents from family child care.
- Translate materials for the child care assistance program into identified languages for both families and providers.
- Hire a temporary staff position to create the technology and reporting procedures to process monthly stabilization subgrant payments.
- Create a two-year limited-period position for a children's behavioral health and child development administrative assistant position.
- Supply a one-time \$2,000 stipend to newly licensed family child care providers focused on increasing access to child care for families in rural areas and areas with limited availability of care.
- Support the alignment of the Maine Center for Disease Control physical activity and nutrition program in early care and education with the state's revised child care quality rating and improvement system.
- Complete an evaluation of the Early Childhood Consultation Partnership pilot.
- Invest in the Ages and Stages Questionnaire (ASQ) online screening tool for child care providers to screen and refer children to early intervention when delays in development are detected.
- Support the creation of the Early Childhood Integrated Data System (ECIDS) to assess programmatic outcomes of early childhood programs across the lifespan.
- Provide the Second Step curriculum for child care to support social emotional learning.
- Expand the use of the Classroom Assessment Scoring System (CLASS) to measure outcomes in child care and incentivize program participation with \$500 per program.
- Train early care and education providers on Maine Early Learning Development Standards.
- Increase tiered payment rates for higher-quality child care.
- Develop and deliver a parent engagement training to child care providers.

MARYLAND: The Maryland State Department of Education (MSDE) conducted three townhalls to gather input from partners on their ideas to spend the state's \$193 million in ARPA child care discretionary funding. Out of these engagement sessions and with the input from the State Superintendent, MSDE has launched a new initiative, Maryland Rebuilds. The new initiative will provide opportunities to build on Maryland's strengths and focus on new grant areas around six high-level strategies: expanding access to quality child care; supporting early learning models of excellence; expanding mental health supports and services; growing a highly effective child care workforce; boosting family child care; and advancing a

coordinated prekindergarten enrollment system. The state released grant opportunities around these strategies in August 2022.

MASSACHUSETTS: The state is using \$50 million of its ARPA child care discretionary funds, along with \$200 million in state funds, for continued stabilization grants to child care providers, using the same funding formula used for ARPA stabilization grants. The remaining \$146 million of the state's allotted ARPA child care discretionary funding is pending appropriation by the legislature.

MICHIGAN: The state is using its ARPA child care discretionary funds to: raise provider payment rates; increase the income limit to qualify for child care assistance to 185 percent of poverty; temporarily waive copayments for families receiving child care assistance; provide funding for staffing of child care programs; provide funds for child care facility improvements; and support child care start-up costs and expansion.

MINNESOTA: The state legislature made significant investments in child care during the 2021 legislative session with funding from ARPA. These investments (outside of child care stabilization grants) included:

- Increased payment rates for providers serving children receiving child care assistance, from the 25th percentile of 2018 market rates to the 40th percentile for care for infants and toddlers and 30th percentile for care for preschool- and school-age children, with updates for 2021 and 2024 market rates. As a result, weekly maximum rates increased by an average of 16 percent for centers and 12 percent for licensed family child care. The state also increased payment rates for license-exempt child care providers from 68 percent to 90 percent of the licensed family child care rate.
- Reprioritization of the waiting list for child care assistance.
- Child care facility grants for facility improvements, minor renovations, and related equipment and services, including assistance meeting licensing requirements.
- Payment of certain background check fees for child care providers and support for implementation of background checks.
- Workforce development grants that provide economically challenged individuals the job skills training, career counseling, and job placement assistance needed for a career path in child care.
- Grants for retention of child care providers under the Retaining Early Educators through Attaining Incentives Now (REETAIN) program.
- T.E.A.C.H. higher education scholarships for early educators.
- Establishment of the Family Child Care Training Advisory Committee.

- Grants to community-based organizations working with family, friend, and neighbor caregivers.
- Development of a one-stop regional assistance network for individuals interested in establishing or sustaining a licensed family child care or center-based child care setting.
- Training and consultation to help child care providers build, strengthen, and acquire business skills.
- Shared Services Innovation Grants to help start agreements among family child care providers to share administrative and business functions and provide economies of scale for family child care businesses.
- A frequently-asked-questions web page for family child care providers and a family child care ombudsperson.
- Modernization of family child care and center-based license regulations.
- Technology improvements to the child care licensing system and child care assistance program.
- Evaluation of the state's quality rating and improvement system, Parent Aware.
- A report and engagement to better understand participation of children in foster care in early childhood programs.
- A report to address data-sharing across agencies and programs that affect children and families.

MISSISSIPPI: The state planned to use its ARPA child care discretionary funding to provide enhanced payment rates to child care providers and to cover copayments for families receiving child care assistance.

MONTANA: The state is using its ARPA child care discretionary funds for one-time-only child care assistance for families in which at least one parent provides direct health care, behavioral health, disability, or long-term care services. Funding is limited and applications are processed on a first-come, first-serve basis, with prioritization for employees who work in facilities reliant on Medicaid funding. To be eligible, families must have incomes at or below 250 percent of the federal poverty level. Families receiving assistance under this initiative are responsible for copayments of \$100 per month and are eligible for 12 months, and their child care provider is paid based on enrollment, regardless of attendance. As of July 7, 2022, 162 children were receiving child care assistance through this initiative.

The state is using the ARPA funds for child care workforce retention and incentive payments as well. To be eligible for the payments, an individual must be on the Montana Early Childhood Project Workforce Registry; currently employed in a licensed or registered family, group, or center child care program; and an approved caregiver by Montana child care licensing in a position as an early childhood teacher, early childhood assistant teacher, school-age teacher, or director.

Nearly 3,000 eligible providers received an initial payment of \$600 starting in May 2022. Those remaining in the child care field will be eligible for a second payment of \$1,000 in February 2023. New child care professionals are eligible to submit for one payment of \$600 in February 2023.

The state is also using ARPA dollars to fund its recent contracts with Zero to Five Montana and Raise Montana to support the state's child care industry. Contractors are offering statewide targeted professional development, consultation, and individualized technical assistance for child care business stabilization and expansion across provider types. Additionally, contractors are developing paid mentoring and shared services such as insurance and substitute pools for providers.

Montana is in the request-for-proposal process for Child Care Innovation and Infrastructure grants funded by ARPA discretionary dollars; funded projects of up to \$1 million will develop and implement innovative community, area, regional, and/or business-based strategies that expand child care availability for the state's families. Finally, the state has allocated ARPA discretionary funds to business process improvement of the state's child care licensing regulations.

NEBRASKA: The state has developed an ARPA child care discretionary spending plan that focuses on access, quality, collaboration, and alignment and that includes 19 different components designed to achieve a first-class early childhood system. The plan includes expanded eligibility for the child care assistance program as well as a targeted investment strategy that directly helps expand capacity, modernizes provider business operations, increases access to professional development, and offers educational debt reduction in child care and education programs. The ARPA child care discretionary spending plan also relies on Nebraska's early childhood stakeholder network to launch a variety of service offerings, including mental health and bilingual supports, for children and families throughout the state.

NEVADA: The state is using its ARPA child care discretionary funds for several implemented projects, including: a one-stop child care hub for new and existing child care providers to receive help navigating licensing, connecting parents with services and benefits, and collaborating with industry peers and to access business tools and other supports through a partnership with Wonderschool and Candelen; community health workers in early care and education settings; an outreach campaign for parents; payment rate restructuring and enhancement for the child care assistance program;

expansion of eligibility for child care assistance; expansion of child care facilities across the state, with cost modeling and needs assessment; Ely Co-Op Preschool; and an ARPA project manager.

The state is working on implementing the following projects: Child and Adult Care Food Program (CACFP) specialist and provider supports; a data manager and data integration and alignment for the Early Childhood Comprehensive Systems project, which aims to build integrated maternal and early childhood systems of care; and the Nevada Afterschool Network.

The state is also looking into several other projects, including: expanded contracted child care slots for special populations; creating access to capital funding; and evaluation and continual quality improvement.

NEW HAMPSHIRE: The state's priorities for the uses of its ARPA child care discretionary funds include: strengthening the child care workforce; partnerships with businesses and employers to support the child care sector; child care supply-building; families' equitable access to affordable, quality child care; child care quality improvement; and infrastructure-building.

NEW JERSEY: The state is using all of its ARPA child care discretionary funds for differential payments to providers serving children receiving child care assistance. These payments provide up to \$300 for full-time care, or \$150 for part-time care, per eligible child, per month above the baseline payment rate. The payments will continue through December 2023.

NEW MEXICO: The state is using its ARPA child care discretionary funds to expand access to child care assistance by increasing the income eligibility limit. The income limit to qualify for assistance was increased initially from 200 percent of poverty to 350 percent of poverty and then, as of May 1, 2022, to 400 percent of poverty, while the exit eligibility limit for families already receiving assistance was increased to 425 percent of poverty. In addition, the state is using the funds to increase payment rates for child care providers, based on the cost of quality care. The state is also using the funds to cover copayments for families receiving child care assistance until June 30, 2023.

NEW YORK: The state's ARPA child care discretionary funds are being used to:

- Increase child care assistance slots by ensuring eligible families are served and expanding access to additional eligible populations.
- Provide additional support for the state's Facilitated

Enrollment Program, which as of April 2022 allows families with incomes up to 300 percent of poverty to qualify for child care assistance in those counties participating in the program; previously, the income limit for this program was 275 percent of poverty, which was higher than the statewide limit at the time.

- Expand access to child care assistance by increasing the statewide income eligibility limit to qualify for assistance from 200 percent of poverty to 300 percent of poverty as of August 1, 2022.
- Lower family copayments to no more than 10 percent of a family's income that exceeds the federal poverty level.
- Pay providers serving families receiving child care assistance at the 80th percentile of current market rates as of June 1, 2022.
- Pay providers when children receiving child care assistance are absent from care.
- Ensure families receiving child care assistance retain eligibility for 12 months.
- Expand funding for QUALITYstars NY, the state's quality rating and improvement system.
- Support a new project to address shortages of child care in the state's child care deserts (areas with a limited supply of licensed child care).

NORTH CAROLINA: The state used its ARPA discretionary child care funding to serve families who had been on the waiting list for child care assistance and modernize child care licensing and subsidy management technology. The state is also using the funds to build the supply of qualified child care teachers with staff bonuses and other teacher pipeline programs, such as apprenticeships, stackable courses, and fast-track programs.

NORTH DAKOTA: The state is using its ARPA child care discretionary funds for several purposes, including:

- An add-on to the base stabilization payment for care for infants and toddlers receiving child care assistance.
- An add-on to the base stabilization payment for care during nontraditional hours for essential workers.
- Retention incentives for the child care workforce.
- Enhancements to the integrated eligibility system for child care assistance.
- Evaluation and research.
- Design and implementation of an early childhood integrated data system.

- Child care provider navigation interface (Early Childhood Design Thinking) and automation of step one of the state's quality rating and improvement system—recognizing all licensed child care providers as Bright and Early North Dakota Step One providers—for the early childhood integrated data system.

The state also expects to use its ARPA funding to continue enrollment-based payments, up to the state's maximum payment rate, to providers serving families receiving child care assistance.

OKLAHOMA: The state plans to use its ARPA child care discretionary funds to support:

- Child care workforce recruitment activities including public service announcements and a new online job board.
- Recruitment and retention bonuses for child care sector employees.
- Provider participation in the state's new quality rating and improvement system through financial incentives.
- Child Care Desert start-up grants to build supply in underserved areas.
- Special Needs grants to increase the supply of child care for children with disabilities.
- Continuation of COVID-related initiatives for the child care assistance program such as increased provider payment rates, increased number of children's absent days for which providers receive payment, and child care assistance for essential workers.
- Development of new technologies.
- Innovative ideas submitted through the Oklahoma Clearinghouse for Early Success to improve quality in early childhood settings and maximize public/private partnership.

OREGON: The state plans to use its ARPA child care discretionary funds to:

- Cover subsidy payments for Employment Related Day Care (ERDC), the state's child care assistance program.
- Fund health care and retirement benefits for child care providers.
- Create a substitute pool of child care providers.
- Offer professional development to child care providers.
- Support business coaching for child care providers.
- Support the creation of a new Department of Early Learning and Care.
- Fund IT supports.

The funds set aside for ERDC subsidy payments will be in the state's 2023–25 biennium budget to support changes to the copayment structure and increase provider payment rates.

PENNSYLVANIA: The state's approved uses for ARPA child care discretionary funding include: increasing payment rates for providers serving families receiving child care assistance, decreasing family copayments, incentivizing nontraditional-hour child care, and supporting technology grants for child care providers. Pennsylvania continues to evaluate future uses for remaining available funds.

RHODE ISLAND: The state is using its ARPA child care discretionary funds for purposes related to the following primary objectives:

- Making incremental progress toward meeting recommended levels for provider payment rates (the 75th percentile of current market rates) to ensure equal access to child care for families receiving child care assistance.
- Capping copayments for families receiving child care assistance at 7 percent of family income (the federally recommended level).
- Adopting a more flexible policy on paying providers while children are absent from care; providers can now receive full payment during up to two consecutive weeks of a child's allowable absences at a time, and there is no longer a limit on the number of days or weeks a child can be absent with notice in a calendar year, provided they return to care after the absence and are not absent for more than two consecutive weeks at a time.
- Increasing the availability of high-quality care by raising the quality of providers already participating in the state's quality rating and improvement system and by recruiting and engaging providers that had not previously participated in the system.
- Expanding existing early childhood mental health consultation services and programming to family child care providers and implementing a coordination of care team to address the needs of families, staff, and programs.

SOUTH DAKOTA: The state has developed a framework outlining six investment areas and is planning to gather additional input from stakeholders around needs and ways to support the child care industry within the investment areas using its ARPA child care discretionary funds. The six investment areas are: access, advancing quality, affordability, workforce, system supports, and education and communication. Currently, the state plans to use the funds to continue projects to support and recruit providers, including start-up grants for providers. The state also has plans to use the funds to advance the development of a quality rating and improvement system.

TENNESSEE: The state was considering using its ARPA child care discretionary funds for a variety of initiatives to support

families and aid child care providers in pandemic recovery, while investing in long-term strategic goals to increase child care capacity and quality across the state. The initiatives under consideration included:

- Establishing a new category of child care assistance for parents who are unemployed but engaged in job search activities, in partnership with Department of Labor and Workforce Development.
- Continuing pandemic/essential employee child care assistance through August 2021.
- Establishing differential payment rates for care for children identified with disabilities and special needs that are 15 percent above standard payment rates.
- Establishing a referral process and prioritization category for homeless families to receive child care assistance in partnership with the state's Department of Human Services and Department of Education.
- Expanding the age criteria for the Smart Steps child care assistance program, which serves families with children through age 5, to include families with children up to age 8.
- Increasing provider payment rates.
- Providing early childhood educators with technology hardware along with coaching and technical assistance to help them use the equipment and understand how it can strengthen business operations.
- Expanding the income eligibility limit for WAGE\$, which offers salary supplements to early childhood educators with higher education credentials, from \$15 per hour to \$20 per hour, and increasing the amount of the salary supplement by 50 percent.
- Offering an establishment grant program to provide financial support for furniture, equipment, supply, and curriculum costs associated with opening a new child care program.
- Modernizing the state child care agency's data systems to better meet the demand for child care.
- Supporting the Tennessee Child Care Task Force (established during the 2021 legislative session) in recommending a strategic action plan to increase the availability of high-quality, affordable, and accessible child care as families, child care providers, employers, and communities across the state work to recover from the impacts of COVID.

TEXAS: The state has used its ARPA child care discretionary funds to temporarily increase the number of children receiving child care assistance, reduce the waiting list for assistance, and temporarily increase provider payment rates.

In addition, the funds are being used to expand Pre-K Partnerships, which involve prekindergarten teachers being located within child care programs and providing prekindergarten instruction, and child care programs

providing wrap-around child care services before and after the prekindergarten day. The ARPA funds are being used to support Pre-K Partnership Outreach Specialists, who will work regionally to educate child care programs and local education agencies about partnership opportunities, and to support provider start-up costs (including curriculum, training, stipends for child care teachers to help with retention and reward them for new quality requirements being met, building modifications, and other one-time costs).

The state is also using or planning to use the ARPA funds for other purposes, including: a matching grant program for activities to improve the quality of child care, with a requirement that the funds be matched by private employers and corporate foundations; child care capacity-building; additional professional development scholarships and training for early childhood professionals; expansion of child care apprenticeships; establishment or expansion of local Shared Services Alliances of child care providers that share administrative and business functions in order to reduce costs and improve efficiency; and child care studies and evaluations, including a child care workforce strategic plan and a study on the cost of quality care.

UTAH: The state planned to use its ARPA child care discretionary funds to support the following activities and initiatives:

- Professional development for the child care workforce, including support for the National Administrator’s Credential scholarship, T.E.A.C.H. scholarships, annual online training memberships, early childhood college degree scholarships, early childhood professional development incentives, conference attendance scholarships, and program accreditation scholarships.
- Child care licensing grants for health and safety improvements, licensing fees, and background check fees.
- Establishment of a coordinated system for early detection and intervention for children with developmental delays through developmental and emotional screenings.
- Mental health supports for children and child care providers.
- Enhancement of the child care licensing database.
- Grants for child care providers that contract with employers offering child care opportunities for their employees.

VERMONT: The state will award ARPA child care discretionary funds as competitive grants through a request-for-proposal procurement process. Categories of spending will include:

- Scholarships for current and prospective early childhood providers.

- Special Accommodation Grants to support the specialized needs of children in child care settings and maintain child care placements.
- Business training support for child care.
- Child care and after-school capacity-building activities through grants and activities to support additional slots and hours for children in regulated settings.
- Support for intervention, social emotional, mental health, and staff training needs in early child care settings.

VIRGINIA: The state is using its ARPA child care discretionary funds to:

- Support expanded eligibility for the child care assistance program for families with young children; families with at least one child ages 5 and younger, not yet in kindergarten, are eligible for child care assistance if their income is at or below 85 percent of state median income and they meet all other eligibility requirements.
- Support job search as an approved activity for initial eligibility for child care assistance.
- Restructure the family copayment scale for child care assistance to eliminate copayments for all families below the federal poverty level and shift copayments to a low, flat per-child monthly fee.
- Increase provider payment rates for subsidy vendors to reflect a percentage of the cost of care estimated using the state’s approved alternative methodology.
- Expand RecognizeB5, Virginia’s teacher retention incentive program, and increase the value of the incentive payments.
- Invest additional resources to support technology enhancements and integration and provider participation in Virginia’s new unified quality measurement and improvement system for programs serving children birth to age 5 (VQB5).

WASHINGTON: The state is using, or plans to use, its ARPA child care discretionary funding to:

- Support copayment relief for families receiving child care assistance.
- Increase payment rates for providers serving families receiving child care assistance.
- Support enhanced payment rates for providers serving infants and toddlers receiving child care assistance.
- Increase the income eligibility limit for child care assistance.
- Support health insurance—with a \$0 premium—for providers and their staff who serve families receiving child care assistance.
- Support equity grants for inclusive and culturally and linguistically specific early learning and early childhood and parent support programs across the state.

WISCONSIN: Wisconsin is using its ARPA child care discretionary funding to:

- Expand the T.E.A.C.H. program, which provides higher education scholarships to early childhood professionals, and the REWARD program, which provides stipends to early childhood professionals based on educational attainment.
- Pilot a child care assistance program aimed at connecting families participating in the Wisconsin Birth to 3 Program, which provides early intervention services to infants and toddlers with developmental delays and disabilities and their families, with high-quality, affordable child care.
- Build an employer-supported child care program where employers can receive funding to secure local child care slots.
- Continue and enhance the Wisconsin Early Education Shared Services Network, which brings together family and center-based early care and education programs to pool resources and leverage economies of scale.
- Build a statewide infant early childhood mental health consultation program to assist early care and education providers in addressing challenging behaviors and reduce program expulsions.
- Expand early childhood-related services provided by family resource centers.
- Design a new grant program to assist child care providers in becoming regulated.
- Implement an early childhood workforce employee assistance program.
- Support healthy child development through evidence-based social emotional tools.

WYOMING: The state was planning to use its ARPA child care discretionary funds to:

- Pay child care providers serving families receiving child care assistance based on enrollment rather than attendance.
- Provide child care assistance for families with shift workers to cover sleep time.
- Allow families to qualify for child care assistance while a parent searched for a job.
- Temporarily increase provider payment rates to the federally recommended level (the 75th percentile of current market rates).
- Increase payment rates for license-exempt child care providers by 25 percent.
- Temporarily cover copayments for all families receiving child care assistance.
- Enhance the state's professional development registry with an efficient onboarding process for child care staff and increased user-friendliness.
- Develop and implement a background check tracking module/sex offender check interface.
- Enhance the state's child care assistance system to make it more efficient in eligibility determination and payment submission and more accessible for families and providers.
- Enhance the state's child care licensing system, and develop and implement data integration between the child care assistance and child care licensing systems.
- Pay for child care provider training.
- Waive background check and out-of-state central registry fees for child care workers.
- Contribute to early childhood mental health services for child care providers and children.
- Fund business acumen services for child care providers and parents.
- Fund home visitation transition costs.
- Provide funding for family resource centers.

- 1 National Association for the Education of Young Children, Am I Next? Sacrificing to Stay Open, Child Care Providers Face a Bleak Future Without Relief (December 2020), https://www.naeyc.org/sites/default/files/globally-shared/downloads/PDFs/our-work/public-policy-advocacy/naeyc_policy_crisis_coronavirus_december_survey_data.pdf.
- 2 American Rescue Plan Act of 2021, Pub. L. No. 117-2, 135 Stat. 31, 207 (2021). CCDBG is supported by discretionary funding, which is generally appropriated each year and does not require a state match, and mandatory funding, which is a permanent annual appropriation. Although federal child care mandatory funding typically requires a state match, states are not required to match the additional federal child care mandatory funding provided under ARPA for grant years 2021 or 2022.
- 3 Coronavirus Aid, Relief, and Economic Security Act, Pub. L. No. 116-136, 134 Stat. 557-558 (2020).
- 4 Consolidated Appropriations Act, 2021, Pub. L. No. 116-260, 134 Stat. 1914 (2020).
- 5 U.S. Department of Human Services, Administration for Children and Families, Office of Child Care, ARP Act CCDF Discretionary Supplemental Funds, CCDF-ACF-IM-2021-03, June 11, 2021, <https://www.acf.hhs.gov/sites/default/files/documents/occ/CCDF-ACF-IM-2021-03.pdf>.
- 6 U.S. Department of Human Services, Administration for Children and Families, Office of Child Care, ARP Act Child Care Stabilization Funds, CCDF-ACF-IM-2021-02, May 10, 2021, <https://www.acf.hhs.gov/sites/default/files/documents/occ/CCDF-ACF-IM-2021-02.pdf>.
- 7 Seven states—Hawaii, Kentucky, Louisiana, Missouri, Ohio, South Carolina, and West Virginia—are not included in the state-by-state descriptions because they had not yet determined how they would use their ARPA child care discretionary funds at the time the information was collected or did not report on their uses of these funds.
- 8 Six states—California, District of Columbia, Kentucky, Louisiana, Missouri, and South Carolina—did not report data on their ARPA child care stabilization grants to the National Women's Law Center, so data from the Office of Child Care's ARP Child Care Stabilization Funding State Fact Sheets (<https://www.acf.hhs.gov/occ/map/arp-act-stabilization-funding-state-fact-sheets>) were used for these states when available. Any differences between Office of Child Care data and National Women's Law Center data for other states are due to differences in the timing and methods of data collection.
- 9 Depending on the state, providers in the "other" category include group child care homes, school-age providers, preschools, and/or other types of programs. Note that states differ as to whether they include these types of providers in their counts of centers or family child care homes or the "other" category. See table notes for more details.
- 10 Data on grant amounts are not comparable across states because states differed in how they provided the grants and reported the data. For example, some states reported grant amounts by month, some reported grant amounts for one of multiple rounds of grants, and some reported cumulative grant amounts received by each provider. As a result, it is not possible to calculate the average grant across all states.
- 11 Center for the Study of Child Care Employment, "Child Care Sector Jobs: BLS Analysis," September 6, 2022, <https://cscce.berkeley.edu/publications/brief/child-care-sector-jobs-bls-analysis/>.

TABLE 1: AMERICAN RESCUE PLAN ACT CHILD CARE STABILIZATION GRANTS

State	Number of child care providers receiving ARPA child care stabilization grants					Average amount or range of amounts of ARPA child care stabilization grants
	Child care centers	Family child care homes	License-exempt relatives and home-based providers	Other	Total	
Alabama*	1,200	508	N/A		1,708	\$59,000 (average); \$5,000-\$361,000 (range)
Alaska*	161	138	4	95	398	\$5,500-\$11,500 (range)
Arizona*	1,265	196	518		1,979	\$55,024 (average)
Arkansas	1,214	159	N/A		1,373	\$1,500-\$315,000 (range)
California*	N/A	N/A	N/A		50,030	N/A
Colorado*	2,206	990	4		3,200	\$106-\$53,313 (range)
Connecticut*	1,162	1,357	54		2,573	\$607-\$500,000 (range)
Delaware	306	462	N/A		768	centers: \$132,424; family child care: \$37,317 (averages)
District of Columbia	300	90	N/A		390	N/A
Florida*	5,938	1,900	N/A		7,838	\$59,839 (average); \$12,000-\$652,415 (range)
Georgia	2,789	1,056	0		3,845	\$234,935 (average); \$5,617-\$2,530,945 (range)
Hawaii*	139	194	0		333	centers: \$294,964; family child care: \$25,773 (averages)
Idaho*	486	187	110		783	\$330-\$20,000 (range)
Illinois*	3,057	4,173	N/A		7,230	\$1,000-\$129,000 (range)
Indiana*	551	1,820	254	680	3,305	\$87,812 (average); \$1,080-\$850,000 (range)
Iowa*	683	1,123	N/A		1,806	centers: \$159,410; family child care: \$19,728 (averages)
Kansas*	524	2,601	N/A	406	3,531	\$1,800-\$18,000 (monthly range)
Kentucky	1,520	185	N/A		1,705	N/A
Louisiana	1,780	320	N/A		2,100	N/A
Maine	675	576	17		1,268	\$4,403 (average)
Maryland*	2,069	3,523	N/A		5,592	\$15,000 base + \$500 per slot in first round
Massachusetts*	2,379	4,092	N/A	60	6,531	centers: \$12,500; family child care: \$1,500 (monthly averages)
Michigan*	2,665	1,573	N/A	1,306	5,544	centers: \$120,697; family child care: \$11,394 (averages)
Minnesota*	2,207	5,673	100		7,980	\$1,738 (average); \$51-\$27,409 (monthly range)
Mississippi	1,066	N/A	50		1,116	\$50,000 (average); \$3,557-\$106,776 (monthly range)
Missouri	N/A	N/A	N/A		N/A	N/A
Montana	196	341	N/A		537	centers: \$138,997; family child care: \$37,144 (averages)
Nebraska*	639	1,329	0	266	2,234	\$45,411 (average); \$3,600-\$436,000 (range)
Nevada*	300	89	287	46	722	centers: \$326,703; family child care: \$23,298 (monthly averages)
New Hampshire*	425	43	4	9	481	N/A
New Jersey*	1,883	462	N/A		2,345	\$4,000-\$120,000 (range)
New Mexico	526	478	0		1,004	\$52,096 (average)
New York*	5,660	9,034	0	191	14,885	centers: \$92,000; family child care: \$30,000 (averages)
North Carolina*	2,822	1,097	0		3,919	\$45,189 (average)
North Dakota	353	461	6		820	\$75-\$42,825 (range)
Ohio*	3,571	2,062	5	14	5,652	\$20,747 (average); \$1-\$138,086 (range)
Oklahoma	1,175	1,087	0		2,262	\$9,244 (quarterly average); \$3,000-\$18,000 (quarterly range)
Oregon*	898	1,875	581		3,354	\$6,800-\$233,680 (range)
Pennsylvania*	4,198	998	1,489	533	7,218	centers: \$142,563, family child care: \$13,876 (averages)
Rhode Island*	391	373	1		765	\$2,400-\$165,000 (range)
South Carolina	1,130	575	N/A		1,705	N/A
South Dakota*	354	322	0		676	\$2,400-\$300,000 (range)
Tennessee*	1,494	421	0		1,915	\$133,450 (average); \$5,989-\$1,149,093 (range)

Continued on next page

TABLE 1: AMERICAN RESCUE PLAN ACT CHILD CARE STABILIZATION GRANTS *Continued*

State	Number of child care providers receiving ARPA child care stabilization grants					Average amount or range of amounts of ARPA child care stabilization grants
	Child care centers	Family child care homes	License-exempt relatives and home-based providers	Other	Total	
Texas*	7,572	2,938	N/A		10,510	centers: \$374,174; licensed family child care: \$31,476 (averages)
Utah*	312	513	0	97	922	\$19,307 (monthly average)
Vermont*	426	34	381	123	964	\$22,692 (average); \$232-\$109,814 (range)
Virginia*	2,777	1,261	919		4,957	centers: \$124,700; family child care: \$21,760 (averages)
Washington*	2,036	3,313	1,275		6,624	\$750-\$187,000 (range)
West Virginia	344	692	152		1,188	\$750-\$27,000 (monthly range)
Wisconsin*	2,187	1,708	3		3,898	\$2,979 (average)
Wyoming	258	111	4		373	\$42,600 (average)
Total	78,269	64,513	6,218	3,826	202,856	
Percentage	51%	42%	4%	3%	100%	

Table 1 Notes: American Rescue Plan Act Child Care Stabilization Grants

Data may not be comparable across states because of variations among states in how they distributed the stabilization grants, how they collected and reported the data, and the time period for which they reported the data. For example, some states may have reported data for a single round of grants while other states reported cumulative amounts across multiple grant cycles.

States were initially contacted in late 2021 and early 2022 for data, and then recontacted for updates during the summer of 2022. Some states are continuing to distribute grants, so data may not reflect the full and complete distribution of grant funding.

Data in the table for California, the District of Columbia, Kentucky, Louisiana, and South Carolina are from the Office of Child Care's ARP Child Care Stabilization Funding State Fact Sheets because these states did not report data to NWLC. Any differences between Office of Child Care data and NWLC data for other states are due to differences in the timing and methods of data collection.

Alabama: Average grant amounts are \$8,631 for family child care homes and \$80,489 for centers.

Alaska: The column for license-exempt providers includes approved relative and in-home providers. Grantees counted in the table's "other" category include 61 licensed group homes and 34 licensed school-age programs. Also note that the number of grants and the range of grant amounts shown in the table are for phase one base stabilization grants. In phase two, 154 centers, 146 family child care providers, 59 group homes, and 35 school-age programs received grants, and the average grant was \$41,510.

Arizona: The table shows the average award to date. Stabilization grants started in August 2021.

California: The state is not able to provide complete data because it issued ARPA stabilization funds in lump sums to local contractors, which then issued individual stipend payments to providers.

Colorado: The range of grant amounts reflects the total per-provider grant amount distributed to providers during federal fiscal year quarter two. This amount will be increased for subsequent quarters as additional payments and grant efforts are rolled out.

Connecticut: Average grant amounts per site are \$81,782 for centers and group homes (with a range of \$4,752 to \$500,000), \$8,853 for family child care homes (with a range of \$1,485 to \$12,600), and \$43,133 for license-exempt care (with a range of \$607 to \$184,320).

Florida: The table shows data as of July 19, 2022.

Hawaii: The column for centers includes licensed before- and after-school programs.

Idaho: As of July 2022, maximum grants increased from \$850 to \$1,000 for family child care and relative care, from \$1,750 to \$2,500 for group child care, from \$4,000 to \$5,000 for small centers, and from \$8,500 to \$10,000 for large centers (except for those with

monthly expenses over \$40,000, in which case the maximum was increased to \$20,000); maximum grants remained at \$20,000 for school districts.

Illinois: The state is still finalizing its grants for license-exempt relatives and home-based providers.

Indiana: Grantees counted in the table's "other" category include child care ministries, license-exempt centers, and public schools.

Iowa: The table shows data as of July 7, 2022.

Kansas: Grantees counted in the table's "other" category include 69 preschools, 22 licensed Head Start programs, and 315 school-age programs. Monthly grant amounts were \$1,800 for family child care homes; \$3,600 for programs with licensed capacity of 24 or fewer children; \$9,000 for programs with licensed capacity of 25 to 99 children; and \$18,000 for programs with licensed capacity of 100 or more children. These were the monthly grant amounts for the first nine months; grant amounts were to be reevaluated for the last five months.

Maryland: The second round of grant provided a base amount of \$10,000 plus \$126 per infant and toddler, child care scholarship, or social vulnerability slot; the third round provided \$181 per licensed slot.

Massachusetts: The grantees counted in the table's "other" category are license-exempt centers that are approved to receive CCDBG funding.

Michigan: Grantees counted in the table's "other" category include 1,303 group child care homes and 3 tribal centers. Average grants are \$21,777 for group child care homes and \$20,840 for tribal centers. The data in the table and in this note reflect grants awarded in June 2022; the state had a previous round of grants awarded in January 2022. (Providers that received an initial grant could receive a grant in the second round if they completed the required reporting for the first round. Providers could also receive a grant in the second round of funding even if they had not previously received a grant, if they met the eligibility criteria.)

Minnesota: The 2,207 centers receiving grants include 1,655 licensed centers and 552 certified center-based school-age programs.

Nebraska: Grantees counted in the table's "other" category include preschools and school-age-only child care centers.

Nevada: Grantees counted in the table's "other" category include 32 group child care programs and 14 school-age programs. Monthly average grants are \$38,626 for group child care programs, \$583,375 for school-age programs, and \$2,580 for family, friend, and neighbor care providers.

New Hampshire: The grantees counted in the table's "other" category are license-exempt facilities.

New Jersey: Grants for licensed child care centers range from \$30,000 to \$120,000, depending on license capacity, provider type, and monthly expenses, and grants for registered family child care providers are a flat \$4,000. The state is also using ARPA stabilization funds to provide hiring and retention bonus grants of

\$1,000 per eligible staff for licensed child care centers, and \$1,000 per eligible registered family child care provider. The number of providers receiving grants shown in the table includes those who received stabilization grants; it does not include those who received hiring and retention bonus grants.

New York: The total for centers includes school-age programs. The grantees counted in the table's "other" category are license-exempt group child care homes. Average grants are \$51,000 for license-exempt group programs and \$82,000 for school-age programs.

North Carolina: The average grant amount is \$57,960 for centers and \$11,661 for family child care homes.

Ohio: The table shows data as of June 30, 2022. Grants are issued in phases; the data in the table includes phases one and two.

Oregon: Grant amounts range from \$6,800 to \$10,880 for license-exempt family child care, \$11,520 to \$18,432 for registered family child care, \$27,430 to \$43,888 for certified family child care, and \$42,390 to \$233,680 for certified centers.

Pennsylvania: The grantees counted in the table's "other" category are group child care homes. Average grants are \$25,730 for group child care homes.

Rhode Island: License-exempt providers received one lump-sum payment of \$2,400; family child care providers received one lump-sum payment of \$12,000; group family child care providers received one lump-sum payment of \$18,000; and centers received \$4,500 per classroom per month (all centers were eligible for two lump-sum payments reflective of three months each).

South Dakota: Grants have been distributed in initial payments based on three-month operating expenses. The range of grant amounts may change with subsequent distributions.

Tennessee: The table shows data through June 2022. Also note that the number of centers receiving grants shown in the table includes 274 license-exempt centers.

Texas: The total number of family child care homes receiving grants includes 1,213 licensed homes and 1,725 registered homes. The average grant amount for registered homes is \$28,698. Also note that the state has allocated an additional \$1 billion for stabilization funds.

Utah: Grantees counted in the table's "other" category include commercial preschools, residential (in-home) certified providers, Department of Workforce Services-approved exempt centers, and Department of Workforce Services-approved school-age and out-of-school-time programs.

Vermont: The grantees counted in the table's "other" category are after-school centers.

Virginia: The average grant for license-exempt family child care and relative care providers is \$8,540.

Washington: Grants range from \$750 to \$2,000 for license-exempt family, friend, and neighbor providers and from \$24,000 to \$187,000 for licensed child care providers.

Wisconsin: The average grant amount shown in the table is the average across all awards regardless of funding period or payment program. The average award by program is \$3,740 for increased access to high-quality care and \$2,172 for workforce recruitment and retention.