

AMERICAN RESCUE PLAN ACT OF 2021

CHILDCARE

<u>Child Care and Development Block Grant Program</u>

States, territories, Indian Tribes, and Tribal organizations are authorized to use such funds to provide child care assistance to health care sector employees, emergency responders, sanitation workers, and other workers deemed essential during the response to coronavirus by public officials, without regard to the income eligibility requirements of section 658P(4) of the Child Care and Development Block Grant Act.

Child Care Stabilization Funds

\$24 million for grants to lead agencies to award subgrants to qualified childcare providers - regardless of the recipients' other federal assistance, to support the stability of the child care sector during COVID-19 public health emergency

Eligibility

To be qualified to receive a subgrant under this paragraph, a provider shall be an eligible child care provider that on the date of submission of an application for the subgrant, was either:

- open and available to provide child care services; or
- closed due to public health, financial hardship, or other reasons relating to the COVID-19 public health emergency.

The amount of such a subgrant to a qualified child care provider shall be based on the provider's stated current operating expenses, including costs associated with providing or preparing to provide child care services during the COVID-19 public health emergency, and to the extent practicable, cover sufficient operating expenses to ensure continuous operations for the intended period of the subgrant.

Use of Funds

A qualified child care provider that receives funds through such a subgrant shall use the funds for at least one of the following:

- Personnel costs, including payroll and salaries or similar compensation for an employee (including any sole proprietor or independent contractor), employee benefits, premium pay, or costs for employee recruitment and retention.
- Rent (including rent under a lease agreement) or payment on any mortgage obligation, utilities, facility maintenance or improvements, or insurance.
- Personal protective equipment, cleaning and sanitization supplies and services, or training and professional development related to health and safety practices.
- Purchases of or updates to equipment and supplies to respond to the COVID-19 public health emergency.
- Goods and services necessary to maintain or resume child care services.
- Mental health supports for children and employees.

• The qualified child care provider may use the subgrant funds to reimburse the provider for sums obligated or expended before the date of enactment of this Act for the cost of a good or service described in paragraph (1) to respond to the COVID-19 public health emergency.

Amounts made available through these grants shall be used to supplement and not supplant other Federal, State, and local public funds expended to provide child care services for eligible individuals.