

Child Care Relief Funding in the American Rescue Plan: State-by-State Estimates

For decades, our country has had a child care crisis fraught with inequitable access for communities of color, unaffordable care for far too many families, poverty-level wages for early educators, and razor-thin margins for providers. This long-term crisis has been exacerbated by the devastating, inequitable impacts of COVID-19.¹ And it has pushed the child care and early learning sector to the brink of collapse.

Now, thanks to passage of the **American Rescue Plan Act of 2021**, the child care sector will receive a total of more than \$50 billion in direct relief funding. This bill, based on President Biden's bold **American Rescue Plan**, provides \$39 billion in desperately needed child care relief funding. This builds on critical down payments on relief from the **Coronavirus Aid, Relief, and Economic Security Act (CARES) Act** and the **Consolidated Appropriations Act, 2021**² to finally deliver on the promise of at least \$50 billion in total to support the children, families, and early educators who rely on and support the child care and early learning industry.³

Of the \$39 billion⁴ included in the American Rescue Plan Act (ARP Act), nearly \$15 billion will provide expanded child care assistance through the Child Care and Development Block Grant (CCDBG) to support families and providers, including supporting the child care needs of essential workers. The remaining nearly \$24 billion creates a stabilization fund for eligible child care providers, including those who haven't previously received funding through CCDBG.⁵ Administered by state lead agencies, these funds can support providers who are currently operating or are closed for COVID-related reasons, as well as supply-building activities. These funds can stabilize child care programs by covering a range of expenses such as personnel costs, rent, facility maintenance and improvements, personal protective equipment (PPE) and COVID-related supplies, goods and services needed to resume providing care, mental health supports for children and early educators, and reimbursement of costs associated with the current public health emergency.

In the table below, CLASP estimates the child care relief funding each state, D.C., and Puerto Rico will receive. This investment can't come soon enough for families and providers who have been waiting nearly a year for the relief they need. This funding will allow providers to reopen safely and begin recovering from the unprecedented impacts of a global health crisis that has forced far too many to significantly cut staff, take on extensive personal or businesses debt, dip into personal savings, or permanently close.⁶

With this funding, the child care sector—which has already lost one in six jobs during the pandemic⁷—will be poised to be part of the nation's economic recovery. These critical direct investments are how we begin to bring the child care sector back from the brink, yet it will take additional significant investments to undo the damage of long-standing under-investments and

build back a better, more equitable, accessible, and affordable system that meets the needs of children, families, and early educators.

For questions, please contact Katherine Gallagher Robbins at kgallagherrobbins@clasp.org.

State	Expanded Child Care Assistance	Child Care Stabilization Funds	Total ⁸
Alabama	\$282,206,109	\$451,360,338	\$733,566,447
Alaska	\$28,345,643	\$45,336,010	\$73,681,653
Arizona	\$372,903,589	\$596,421,852	\$969,325,441
Arkansas	\$178,870,325	\$286,085,126	\$464,955,451
California	\$1,446,271,764	\$2,313,166,480	\$3,759,438,243
Colorado	\$178,914,747	\$286,156,174	\$465,070,921
Connecticut	\$106,214,545	\$169,879,500	\$276,094,045
Delaware	\$41,736,172	\$66,752,816	\$108,488,988
District of Columbia	\$24,910,793	\$39,842,313	\$64,753,107
Florida	\$952,299,711	\$1,523,107,777	\$2,475,407,488
Georgia	\$605,401,331	\$968,278,647	\$1,573,679,978
Hawaii	\$49,950,950	\$79,891,530	\$129,842,480
Idaho	\$86,632,921	\$138,560,659	\$225,193,581
Illinois	\$497,857,043	\$796,272,356	\$1,294,129,400
Indiana	\$337,757,560	\$540,209,306	\$877,966,866
Iowa	\$142,272,650	\$227,550,820	\$369,823,470
Kansas	\$133,736,063	\$213,897,406	\$347,633,469
Kentucky	\$293,900,454	\$470,064,269	\$763,964,723
Louisiana	\$297,435,357	\$475,717,991	\$773,153,348
Maine	\$45,752,459	\$73,176,465	\$118,928,924
Maryland	\$193,245,258	\$309,076,388	\$502,321,646

State	Expanded Child Care Assistance	Child Care Stabilization Funds	Total ⁸
Massachusetts	\$196,560,939	\$314,379,488	\$510,940,427
Michigan	\$438,107,366	\$700,708,745	\$1,138,816,111
Minnesota	\$202,699,799	\$324,197,977	\$526,897,775
Mississippi	\$199,747,751	\$319,476,473	\$519,224,225
Missouri	\$277,692,171	\$444,140,748	\$721,832,919
Montana	\$42,563,312	\$68,075,745	\$110,639,057
Nebraska	\$89,466,898	\$143,093,322	\$232,560,220
Nevada	\$139,067,930	\$222,425,191	\$361,493,121
New Hampshire	\$29,796,854	\$47,657,077	\$77,453,931
New Jersey	\$267,318,108	\$427,548,475	\$694,866,584
New Mexico	\$123,219,275	\$197,076,860	\$320,296,135
New York	\$703,076,955	\$1,124,501,000	\$1,827,577,955
North Carolina	\$503,793,710	\$805,767,458	\$1,309,561,168
North Dakota	\$29,168,010	\$46,651,303	\$75,819,313
Ohio	\$500,076,175	\$799,821,634	\$1,299,897,810
Oklahoma	\$226,888,091	\$362,884,722	\$589,772,813
Oregon	\$155,626,190	\$248,908,466	\$404,534,656
Pennsylvania	\$455,710,941	\$728,863,896	\$1,184,574,837
Puerto Rico	\$118,026,248	\$188,771,133	\$306,797,381
Rhode Island	\$35,795,528	\$57,251,353	\$93,046,880
South Carolina	\$272,966,569	\$436,582,621	\$709,549,189
South Dakota	\$38,696,983	\$61,891,939	\$100,588,922
Tennessee	\$346,649,764	\$554,431,493	\$901,081,257
Texas	\$1,703,369,713	\$2,724,368,837	\$4,427,738,550
Utah	\$163,429,739	\$261,389,459	\$424,819,198
Vermont	\$18,339,732	\$29,332,559	\$47,672,291
Virginia	\$305,492,999	\$488,605,381	\$794,098,380

State	Expanded Child Care Assistance	Child Care Stabilization Funds	Total ⁸
Washington	\$243,580,488	\$389,582,536	\$633,163,024
West Virginia	\$100,272,566	\$160,375,902	\$260,648,468
Wisconsin	\$223,211,539	\$357,004,446	\$580,215,985
Wyoming	\$18,322,213	\$29,304,540	\$47,626,752
United States	\$14,990,000,000	23,975,000,000	\$39,000,000,000⁹

¹ Shiva Sethi et al., *An Anti-Racist Approach to Supporting Child Care Through COVID-19 and Beyond*, CLASP, 2020, <https://www.clasp.org/publications/report/brief/anti-racist-approach-supporting-child-care-through-covid-19-and-beyond>.

² The CARES Act provided \$3.5 billion in direct child care relief and the Consolidated Appropriations Act, 2021 provided an additional \$10 billion.

³ The American Rescue Plan Act of 2021 also provides \$1 billion in support for Head Start programs and an increase in Child Care and Development Block Grant mandatory funding, as well as tax credit improvements.

⁴ The bill also includes \$35 million in funding for administrative needs.

⁵ Eligible providers include both (1) those who are defined as eligible in section 658P of the Child Care and Development Block Grant Act of 1990 (42 U.S.C. 9858n) and includes relative, home-based, center-based, group home, or (2) other providers who are licensed, regulated, or registered in the state, territory, or Indian Tribe on the date of enactment of the ARP Act and who meet the applicable state and local health and safety requirements.

⁶ *Am I Next? Sacrificing to Stay Open, Child Care Providers Face a Bleak Future Without Relief*, NAEYC, 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.

⁷ Authors' analysis of employment in the "child day care services" sector between February 2020-February 2021 using Bureau of Labor Statistics Current Employment Statistics, Table B-1, available at <https://www.bls.gov/webapps/legacy/cesbtab1.htm>. Last accessed March 5, 2021.

⁸ Estimated allocations are based on the distribution of Coronavirus Response and Relief Supplemental Appropriations Act (CRRSA) of 2021 Allocations for States and Territories, 2021, <https://www.acf.hhs.gov/occ/data/crrsa-2021-allocations-states-and-territories>. Actual allocations may vary depending on the Secretary's decisions regarding amounts reserved for Tribes or other uses. For this analysis, Puerto Rico and Washington D.C. are considered states.

⁹ These estimates have been disaggregated to show the distribution of funds allotted for the nearly \$15 billion in expanded child care assistance funding and the nearly \$24 billion in stabilization funds. National combined total includes funds for Tribes; territories; technical assistance; research, development, and evaluation; and the \$35 million proposed for administration costs. The American Rescue Plan Act of 2021's important investments in Head Start programs, CCDBG mandatory funding, and tax credits are not included in these estimates.