

# Coronavirus Response and Relief Supplemental Appropriations Act & American Rescue Plan Act of 2021

## Background information relating to Alaska's activity and plan

The Coronavirus Response and Relief Supplemental Appropriations Act (CRRSA) allocated \$10 billion in supplemental funding for the Child Care and Development Fund (CCDF) to prevent, prepare for, and respond to the COVID-19 public health emergency.

In April 2021, the American Rescue Plan Act (ARPA) allocated \$39 billion in funds for states, territories, and tribes to address the child care crisis caused by COVID-19. These funds provide a lifeline to hundreds of thousands of child care providers and early childhood educational entities, a safe and healthy learning environment for more than five million children, and extra help for parents to get back to work.

Alaska has been proactive in getting relief funds to child care providers and is among the first states to administer the stabilization grant.

## Alaska Funds

Alaska has received federal relief funding for child care through three funding streams. These include:

- \$18.8M (CRRSA) available until September 30, 2023.
- \$45M for child care stabilization grants, available until September 30, 2023 (ARPA)
- \$28M for supplemental CCDF Discretionary Funds, available until September 30, 2024 (ARPA)
- \$1.3M in Mandatory and Matching funding for CCDF, a permanent annual appropriation.

## Planning

The Division of Public Assistance, Child Care Program Office has been actively planning for the use of relief funding under CRRSA and ARPA. CCPO has been collaborating with state and federal partners to inform decision making and develop a strategy for the use of funds. The current plan is in draft form to allow for adjustments based on stakeholder input, new guidance, and opportunities for collaboration. The amounts are preliminary estimates that will necessitate adjustment during implementation.

CCPO's efforts include:

- Surveying licensed child care providers in March 2021, which had a response rate above 90 percent.
- Meeting with the federal oversight agency and resource organizations to understand the requirements and guidance for the use of relief funds.

- Meeting with Child Care Development Fund programs in other states to share information and creative strategies.
- Reviewing our most recent Early Childhood Needs Assessment and Strategic Plan as a guide and resource to inform planning and implementation to support business practices.
- Identifying internal needs to successfully implement strategies.
- Participating in opportunities to maximize planning efforts led by national organizations.
- Conducting weekly meetings internally and with partners for continual planning.
- Conducting a nationwide scan of stabilization practices and strategies.
- Facilitating ongoing Child Care Provider Town Hall meetings.
- Facilitating focus groups to inform stabilization strategies.

Through this initial process, stakeholders put forward the following ideas:

- Hire a contractor to review and improve the child care assistance program to make it more accessible and supportive for parents and providers
- Deliver stabilization grants in multiple grant opportunities over time
- Provide funding to After School Network to increase School-Age supports and child care slots
- Support families with special needs children to increase access to child care
- Provide funding to individuals in the field through SEED ROOTS awards
- Provide grant opportunities to local communities or municipalities for strategies that fall within the scope of ARPA stabilization
- Provide stabilization grants to providers using a per-child formula
- Provide support to foster families

Future stakeholder engagement:

A formative plan has been developed and presented for approval by the Department of Health and Social Services. The next step is to engage with stakeholders on the implementation of that plan. CCPO is planning to administer focus groups and a survey to inform future phases of stabilization grants.

## Spending Plan & Projections

See enclosure relating to the “Spending Plan” with a total allocation of \$95,524,397.

Approximate amount obligated as of June 15, 2022: \$54,999,614 (60%)

### **ARPA Stabilization- \$45,336,010**

- Phase 1 ~\$4.5M
- Phase 2 ~\$16.5M
- Phase 3 ~\$23M
- Administrative ~\$1.5M

**ARPA Discretionary- \$298,000**

- Planning Contract- Subsidy Improvements \$98k
- OCS support of Foster Families \$200K

**CRSSA- \$9,335,604**

- Increased Scholarship fund to the University of Alaska system for early childhood \$195,604
- Provided funding to thread for:
  - Internal capacity for increased grant activities related to COVID-19 and relief funds, new provider startups, child care campaign \$350K
  - Workforce support- \$8M
  - Infrastructure support-provider portal & free training to the early education workforce \$210K
  - Quality and Professional Development supports \$450K
- OCS Foster Family support \$100K
- Sponsorships \$30K

**Calendar of activities for expenditures of COVID-19 Relief Funding**

Current efforts and projection of future stabilization phases

**QTR3 FY21 (APR-JUN 21)**

- Cover the cost of Copays (JUN)
- Survey of Child Care Provider needs

**QTR4 FY21 (JUL-SEP 21)**

- Thread free training for FY22
- Increase Scholarship fund to University System for FY22
- Cover the cost of Copays (JUL, AUG, SEPT)
- Thread free training for FY22

**QTR1 FY22 (OCT-DEC 21)**

- Stabilization Phase 1
- SEED ROOTS Initiative
- Tribal coordinator position
- Cover the cost of Copays (OCT, NOV, DEC)

**QTR2 FY22 (JAN-MAR 22)**

- Stabilization Phase 2
- Planning contract- Subsidy improvements

**QTR3 FY22 (APR-JUN 22)**

- Stabilization Phase 2

**QTR4 FY22 (JUL-SEP 22)**

- Child Care funds for Foster Parents
- Increase Scholarship fund to University System for FY23
- Sponsorships
- Thread free training for FY23
- Start up funds for Child Care Programs

**QTR1 FY23(OCT-DEC 22)**

- Workforce supports
- Community Innovation Grants

**QTR2 FY23 (JAN-MAR 23)**

- Stabilization Phase 3