



American Rescue Plan

The American Rescue Plan Act (ARPA) are dollars that were passed in March of 2021 by the Biden Administration. South Dakota Department of Social Services was awarded over **\$100,000,000** for child care alone. Even though these funds were made available, this does not mean that the state will choose to accept the funds. The state is however, taking many actions to help parents and providers during this unprecedented time of hardship. Early Learner South Dakota (ELSD), made up of South Dakota stakeholders that are committed to elevating early learning in our state, has constructed recommendations for the ARPA funds.

Eight Highlighted Recommendations

1. EARLY CHILDHOOD EDUCATION STATEWIDE WORKFORCE STUDY:

- To the greatest extent possible, the SD ECE workforce study will enable state agencies, communities, and others working with the early childhood workforce to better understand the universe of individuals working in childcare (both in centers and in family child care homes). This study would be conducted statewide and with all types of providers both regulated and unregulated.

2. STEP UP TO T.E.A.C.H. PROGRAM:

- The T.E.A.C.H. Early Childhood® (T.E.A.C.H.) Initiative is a national, evidence-based strategy that creates access to higher education for teachers, directors and family child care providers working with young children in out-of-home settings. T.E.A.C.H. provides comprehensive scholarships to enable these early educators to take coursework leading to credentials and degrees by making it possible for them to afford both the time and expense of going to school. Step up to T.E.A.C.H. is an opportunity for SD to support the ECE workforce through the APRA to implement a short-to-long term early childhood workforce stabilization strategy.

3. CHILD CARE WAGES\$ PROGRAM:

- The median wage for child care workers in 2020 was \$10.39. A stable child care system depends on a stable child care workforce. Our overall recommendation is to increase wages for child care workers in order to fairly compensate workers for their essential care to children and improve retention in the workforce. It is important that solutions to increase child care worker wages go directly to educators in the early learning field to see maximum benefit. One way to accomplish the goal of increased wages is through a nationally recognized program called Step Up to Wage\$ Program.

4. VOLUNTARY REGISTRATION LIST:

- Currently, more than 2,000 unregistered home-based child care providers are regularly caring for children whose parents pay for their services. These home-based providers are not voluntarily registered or licensed. The intent is to create lists of unregulated family child care providers in each Enrichment Office service area and increase communication and partnership among these providers, as well as add access to resources for these unregistered providers.



5. SOUTH DAKOTA STATEWIDE ECE ENRICHMENT OFFICE SHARED ONLINE PLATFORM:

- More than 30 states have an online statewide platform of 2,000+ resources for child care providers (center-based and home-based). The platform can be customized for specific SD information and comes pre-loaded with information related to business resources, health and safety, child development materials, and many editable templates that can be immediately used by providers (e.g., basic business templates for record-keeping, cash-flow statements, parent handbooks, sample policies and contracts, etc.). The platform also includes an online family child care toolkit – a go-to clearinghouse of materials to support home-based providers. The purpose is to support child care providers with 24/7 access to resources that they can learn from or edit and use so that each provider does not have to recreate the wheel. It's a way for child care providers to save time and money with easy access to the materials they need. The ECE Shared Resources site is maintained by CCA Global for Social Good. Another component of the statewide platform is Acquire for Hire, a jobs posting area for child care centers to help expedite and manage the staff hiring process. Particularly today with the difficulty providers are having in hiring staff, this component has been helpful to center directors to post jobs and manage hiring.

6. SOUTH DAKOTA UPDATED STATEWIDE DATA SYSTEM:

- Many states are considering updating data systems with American Rescue Plan stabilization funds (through the 10% state administrative portion of the funding). The intent would be to update the capacity of the data system to retain records that include: basic location and business information related to each provider with licensing capacity; capacity by age of the child and provider type (all options from which parents could choose for their young children such as licensed or registered child care, Head Start, part or full day preschool, faith-based care, etc.); and information on current openings. The purpose of an updated data system is to better understand supply and demand within the child care system. More readily available data can inform strategies to address supply shortages so parents ultimately have the information needed to choose the type of care that works for them.

7. MARKETING CHILD CARE ASSISTANCE AND OTHER DEPARTMENT OFFERINGS:

- A key purpose of the Child Care and Development Block Grant of 2014 is to increase the number and percentage of low income children in high quality child care. Part of achieving this objective is to ensure that parents are educated consumers. A marketing campaign related to increasing the visibility of help to find child care and/or help to afford child care will help increase the likelihood that parents will make the best decisions possible for child care arrangements for their children.

8. REIMBURSEMENT BASED ON ENROLLMENT, NOT ON HOURS ATTENDED FOR 2021-2024:

- It is our recommendation that child care assistance dollars be reimbursed to providers based on enrollment, rather than hours attended from now until January 2024. The purpose of this is to provide a steady stream of revenue for providers serving low income children whose care is paid for with a child care subsidy, provider payments will be made based on enrollment not attendance – aligned with the same payment processes used by private-pay parents.