



STATE OF WASHINGTON
DEPARTMENT OF CHILDREN, YOUTH, AND FAMILIES

1500 Jefferson Street, SE • P.O. Box 40975 • Olympia WA 98504-0975

February 24, 2021

Shannon Christian, Director
Office of Child Care
Administration for Children and Families
U.S. Department of Health and Human Services
330 C St SW
Washington, DC 20201

Dear Ms. Christian:

I am writing on behalf of the Department of Children, Youth, and Families (DCYF) pursuant to the requirement of the Coronavirus Response and Relief Supplemental Appropriations Act (CRRSA) that states submit a report describing how funds appropriated in CRRSA will be spent. Washington's regulatory environment includes significant oversight and direction from the Legislature and Governor's office. Therefore, the state's use of CRRSA funding is part of a broader budgetary strategy and timeline for pandemic response directed by these entities.

While it has yet to be determined how DCYF will use a portion its CRRSA funds, below I describe planned use, as of this date, of \$50 million of them. The Washington State Legislature recently passed, and sent to the Governor for his signature, House Bill 1368, directing these expenditures while also authorizing DCYF to shift funding among these purposes based on over- or underutilization of the different grant types:

Direct Child Care Services (Subsidies)

DCYF will use \$10.6 million in CRRSA funds to pay child care providers at an increased rate equal to the regional preschool rate for school-age children receiving Child Care Subsidies.

Grants or Assistance (Other than Subsidies) to Stabilize Child Care Providers

DCYF will use \$28.8 million in CRRSA funds to establish grants for licensed providers who serve children ages birth to 13 years and who accept Child Care Subsidies. The base grant amount is \$6,500 with an additional \$100 provided for each licensed slot over 65 slots.

DCYF will further use \$4 million in CRRSA funds to incentivize providers to open slots for children receiving Child Care Subsidies. DCYF will also use \$600,000 in CRRSA funds to provide incentives for in-home/relative providers (called Family, Friends, and Neighbors providers in Washington), who serve children receiving Child Care Subsidies by definition.

Assistance to Providers Not Participating in the Subsidy System Prior to the Pandemic

DCYF will spend \$6 million in CRRSA funds for grants to licensed providers who serve children ages birth to 13 and who do not accept subsidies. Grant amounts are \$6,500.

Plans remain to be finalized for the remainder of Washington's CRRSA funds. DCYF continues to work with stakeholders and partners, under the Governor and Legislature's oversight, to identify effective strategies to address issues in the state's early learning system caused or highlighted by the pandemic. Subsidy copayment relief, reimbursement increases, and alternative payment systems are examples of topics of frequent discussion in these conversations.

Should you have any questions or concerns you may contact me by phone at 360-407-7909 or via email at ross.hunter@dcyf.wa.gov.

Sincerely,

/s/

Matt Judge, Child Care Administrator
Department of Children, Youth, and Families

By email

cc:

Nicole Rose, Director, Eligibility and Provider Supports