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Investing in Arizona's Future: DES Continues to Strengthen the Child Care Network, Supporting Providers, Families and the Next Generation of Arizona's Children

Over \$212 Million Invested in Arizona's Child Care Network

PHOENIX - (October 24, 2022) The Arizona Department of Economic Security (DES) and its state, local and community providers continue to work diligently to maintain and strengthen the child care network throughout the state. Since March 2020, over \$212 million in federal Child Care and Development Fund relief funds have been invested to ensure quality child care has been available for essential workers throughout the COVID-19 pandemic and beyond, to support parents in their return to work knowing their children were well cared for in a quality setting.

"The DES Division of Child Care has gone through extraordinary lengths to build a more robust child care network over the past several years," said DES Director Michael Wisehart. "Our workforce relies on quality child care, which enables greater employee engagement across industries to strengthen our economy to equip the next generation for success through quality early childhood education."

Arizona received approximately \$1.3 billion in relief funding from the federal government for the child care network. The DES Division of Child Care (DCC) is working in partnership with the child care and early childhood education community to offer support through September 30, 2024 to help Arizona's child care network recover and rebuild in response to the COVID-19 pandemic through Arizona's Child Care Recovery Plan. Arizona was able to leverage federal assistance to maintain the number of Arizona child care centers throughout the COVID-19 pandemic, while many states witnessed the closure of child care facilities, resulting in an impact to their economies.

DES recently announced effective November 1, 2022, through June 30, 2024, child care providers and families will receive greater support through:

- Increased provider rates for all age groups
- Increased enhanced quality reimbursement rates

- Increased awards for Child Care Stabilization Grant (CCSG) recipients
- Quality First Scholarships for high-rated providers

To support capacity building for our child care network, DES is partnering with the national and Phoenix-based Local Initiatives Support Corporation (LISC) to support providers through limited capital and technology infrastructure grants through June 30, 2023. With \$30 million in Child Care and Development Fund (CCDF) Stabilization funds, LISC will focus on child care providers who serve DES eligible families in areas underserved by child care facilities.

Previous Investments for the Arizona Child Care Network

- On May 6, 2022, DES <u>announced additional financial support</u> for the Arizona child care network to prioritize recruitment and retention needs. DES estimates an additional \$13 million each month from July through the end of June 2023 will be awarded to child care providers.
- On July 19, 2021, DES <u>launched the Child Care Stabilization Grant Program</u>, which supports child care providers by providing a consistent, reliable funding source to cover increased cost and challenges due to COVID-19 through June 2023.
- On May 7, 2021, Governor Doug Ducey and DES <u>announced an additional \$9 million in aid for Arizona child care providers</u> through the Child Care Workforce Retention and Recruitment (CCWRR) Grant Program.
- On December 18, 2020, DES <u>announced the Essential Workers Child Care Relief</u> <u>Scholarship Program</u>, aimed at providing child care resources to essential frontline workers combating COVID-19.
- On August 13, 2020, Governor Doug Ducey and DES <u>announced a Child Care COVID-19</u> <u>Grant Program</u> to provide more than \$47 million of financial assistance to licensed child care providers to help cover costs during the COVID-19 pandemic.
- On April 3, 2020, Governor Doug Ducey <u>announced the launch of the Arizona</u>
 <u>Enrichment Centers</u> to offer child care for the children of first responders, critical
 healthcare workers, and essential public sector workers, including child safety workers.
 The initiative was made possible thanks to a broad network of child care providers and
 numerous State agencies, including DES.

DES continues to increase access to high quality child care by closing the cost gap for families and child care providers in the current network, and incentivizing new providers to contract with DES or become a DES Certified Family Child Care provider to serve children from low-income working families and children in the care of the Arizona Department of Child Safety. To learn more about our efforts, and the assistance offered to providers and families, visit des.az.gov/child-care.