

Child Care Services

ARPA Discretionary Funding Overview

South Dakota's Department of Social Services (DSS) received \$38 million in one-time supplemental Child Care Development Funds (CCDF) Discretionary Funds under the American Rescue Plan Act (ARPA).

The primary objective of this funding is to help enhance the state's child care system to become more accessible, equitable, and affordable for families.

The funding must be spent by September 2024.

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State's Existing Investment Framework

Access Increase access to state licensed and registered child care for parents and families across the state.	Advancing Quality Support and promote evidence-based early learning and care through quality standards & professional development for providers.	Affordability Expand efforts to increase affordability & reduce the financial burden on parents and families.
Education & Communication Enhance communication & consumer education tools to elevate the field of child care.	Tools & Data Develop tools & utilize data to improve administrative efficiency, support decision-making, and enhance family and provider experiences.	Workforce Promote targeted strategies that promote recruitment and retention of our state's child care workforce.

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Child Care Listening Session

- DSS outlined existing investment priorities and conducted a series of public listening sessions to gather stakeholder input on use of the funds.

DSS held nine public listening sessions, both in-person and virtually. In-person sessions were held in Sioux Falls, Aberdeen and Rapid City (2 sessions per location). Three virtual sessions were held.

- 153 total participants
- 21 counties represented
- Attendees included child care providers, parents, business and community leaders, school administrators, mental health providers, faith leaders, higher education representatives, foundation staff, and legislators.

DSS also published a survey option for those who could not attend a listening session. The survey was open for four weeks.

- 36 survey respondents.
- 20 counties represented.

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Child Care Spending

- Priorities identified through the listening sessions aligned with investment priorities with particular focus on workforce, access, and affordability.

ARPA Discretionary Spending Strategy

- The themes highlighted during the listening sessions fell in the areas of workforce, access, and affordability. Therefore, most available funding falls within these three buckets. There is also spending planned in the areas of advancing quality, education/communication, and tools/data.
 - **Workforce**
 - Conduct a comprehensive workforce study to examine the opportunities and challenges in the childcare workforce
 - **Access**
 - Child care expansion grants and start up grants to provide support for initial operations and the distribution of planning grants for communities or organization to address local childcare needs.
 - **Affordability**
 - Expand efforts to increase the affordability and reduce the financial burden on parents and families.
- Other investment priorities include advancing quality, education and communication and tools/technology to assist providers.