

Funding Opportunities on the Horizon for Early Learning - December 2021

On the Federal Level

Build Back Better Act

STATUS: Passed the U.S. House of Representatives 11/19/21

SUMMARY: H.R. 5376 includes provisions for new Universal Preschool and Affordable Child Care Program. For Universal Preschool, the program would provide voluntary access for all 3 & 4 year olds in mixed settings (intended to include Head Start agencies, schools, child care centers and family care providers). For Affordable Child Care, families earning up to 205% state AMI would pay a sliding scale capped at 7% household income. States would have to opt into the phase-in programs and participate in cost sharing.

REFERENCE: [NACo Legislative Analysis](#)

From (or through) the State of NC

Child Care Stabilization Grants

STATUS: Deadline to apply was 10/31/21; Grants issued late November

SUMMARY: Funded through American Rescue Plan Act (ARPA), \$805 M for early care and education. Grants to private child care programs, funds can be used for personnel costs, rent, utilities, insurance, facility maintenance or improvements, PPE, equipment/supplies, mental health supports and more. 90% of those that applied included the compensation component (wage or bonus pay).

REFERENCE: [NC DHHS, Division of Child Development and Early Education](#)

State Budget

STATUS: Signed by Governor Cooper 11/18/21

SUMMARY: "Compromise budget" includes modest increases to early childhood programs such as Smart Start (\$10 M) and NC Pre-K reimbursement rates (2%). Also allocates federal ARPA funds for several critical areas: \$503 M Child Care and Development Block Grant (Subsidy and Workforce program including bonuses, pipeline programs), \$20 M State and Local Fiscal Recovery Fund (startup and capital grants to NC Pre-K and other child care providers); and \$16 M Child Care Entitlement to States.

REFERENCE: <https://www.nc.gov/government/open-budget> & [NC Partnership for Children](#)

Leandro

STATUS: In June 2021, NC Superior Court ordered the state to comply with a Comprehensive Remedial Plan submitted for Leandro v. State

SUMMARY: Eight-year plan including a detailed roadmap of fiscal, programmatic, and strategic steps necessary to meet the state's constitutional obligation to ensure all North Carolina children have access to a sound, basic education. For early learning, includes NC Pre-K, Smart Start and NC Infant-Toddler Program. Recent judicial orders established funding levels for legislature.

REFERENCE: [What's Happening with Leandro and How Its Funding Will Impact Your Community](#)

Local

ARPA Coronavirus State and Local Fiscal Recovery Funds

STATUS: Awarded March 2021, First half of funds received May 2021, Second half expected May 2022

SUMMARY: Buncombe County's allocation is \$50.7 M and can be used to respond to the public health emergency and its negative economic impacts, including early care and education. Two rounds of grants have been awarded so far, including one grant to an early learning provider for \$419,309. Additional rounds of funding/possible additional application(s) anticipated in spring 2022.

REFERENCE: [Buncombe County Recovery Funding](#)