

# NEWS RELEASE

# For Statewide Distribution



Iowa Workforce  
Development

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## **Gov. Reynolds Re-Opens Grant to Help Businesses Expand Child Care Offerings** Grant Opportunity will Incentivize Business to Expand or Partner on Child Care Options

DES MOINES, IOWA – Governor Kim Reynolds today announced a re-opening of the state’s Child Care Business Incentive (CCBI) Grant, which supports projects from Iowa businesses that expand child care options for their employees.

First launched in 2022, the grant helps businesses and employer consortiums cover the costs of any infrastructure required to build child care centers in their communities (either onsite or local centers).

The grant is being re-opened for the following:

- **Current awardees of the Child Care Business Incentive Grant 1.0** (first awarded in 2022). All previous awardees with active projects will receive an *Additional Fund Request form* and instructions should they wish to apply for additional funding to support their projects.
- **New applicants for a Child Care Business Incentive Grant 2.0.** This opportunity is open to employers who were not previously awarded grant funds. A new notice of funding document and application process is now available on [iowagrants.gov](https://iowagrants.gov).

**Applications for the new grant opportunity are now open at [iowagrants.gov](https://iowagrants.gov) and will be accepted through December 23, 2024, at 2:00 p.m.**

- [Visit this link](#) for information on the funding opportunity and how to apply.

“While we’ve made great progress in supporting our labor force coming out of the pandemic, challenges remain, and it’s important to recognize the connection between child care and a successful workforce,” said Governor Reynolds. “We encourage any eligible employer to apply for this unique opportunity that can jumpstart the child care options that support their employees and allow their businesses to grow.”

The 2.0 grant opportunity is open to any Iowa business or entity that pays W-2 wages to a minimum of 75 full-time employees and is not in the business of providing child care. Awards are administered as a reimbursement only and require a 50/50 private match for all grant funds provided.

Grant funds provided to employers can be used to support the expansion or new construction of child care and/or daycare facilities for employees, with the employer as the provider or in partnership with a local child care provider.

“As a state, our priority remains supporting businesses and their ability to recruit and retain the workers they need to be successful,” said Beth Townsend, Executive Director of Iowa Workforce Development. “This grant is one tool that focuses on the critically important area of child care and shows how Iowa can get creative on the solutions that help keep our workforce healthy and thriving.”

**Priority funding will be given to applicants who are:**

- Located in an Iowa county classified as a high-demand area for child care ([view map](#)).
  - Counties with a greater demand for child care will receive additional priority. Applicants should also take into account the child care age groups based on the supply/demand gaps within the community.
- Planning to utilize funding to increase the capacity of the child care center by creating additional child care slots across multiple age groups.
  - Applicants requesting additional funding to maintain current slot capacities will not receive priority.
- Planning to build onsite child care centers.
- Not recipients of the previous Child Care Challenge or Investing in Iowa's Child Care (IICC) funding from either 2021 or 2022.
  - Note: This will not exclude applicants who may have partnered with an existing child care facility that may have already received a Child Care Challenge or Investing in Iowa's Child Care funding, provided there is direct linkage between providing additional slots to the employer's employees. (Additional slots must be new and not previously counted for in prior grant applications).

This grant opportunity will be funded by American Rescue Plan Act (ARPA) funds. A webinar discussing the grant will take place on Tuesday, December 3, 2024 at 11:30 a.m. [Register to attend the webinar here.](#)

For the entire list of requirements as well as a Notice of Funding Opportunity, [visit the Child Care grants page](#). Questions about the new grant can be directed to Patrick Rice at [Patrick.Rice@iwd.iowa.gov](mailto:Patrick.Rice@iwd.iowa.gov).

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