January 17, 2023

Joint Religious Legislative Coalition

P.O. Box 4233

Saint Paul, MN 55104

Dear Children and Families Finance and Policy Committee Members,

On behalf of the Joint Religious Legislative Coalition, I am writing in support of HF13 (Keeler), which would raise the Child Care Assistance Program (CCAP) reimbursement rate to the 75th percentile of the market rate in a childcare provider’s area. A significant increase in the CCAP reimbursement rate is long overdue, and we are pleased to see that this proposal is being considered by your committee.

The provider reimbursement rate has dropped significantly over the last ten years. In 2013, providers could be reimbursed at up to the 75th percentile of what is charged for childcare in their community, based on the 2011 market survey. Currently, providers can only be reimbursed at the 30th or 40th percentile. With the significant increase in cost of living we have seen post-pandemic, this rate of reimbursement is extremely inadequate for under-resourced families needing to find childcare. In addition, because of this low reimbursement rate many providers are moving out of childcare or are no longer accepting CCAP, compounding the severe shortage of options for families.

Thank you for moving this bill forward and prioritizing the many families struggling to afford childcare in Minnesota.

Sincerely,



Leah Patton

Executive Director, Joint Religious Legislative Coalition