



Dear Members of the House Early Childhood Committee:

Kids Can't Wait -- a coalition of nonprofit, faith, child care, and business advocates -- strongly supports the critical Child Care Assistance Program investments included in HF 4735. These investments continue to move us towards a Minnesota Child Care Assistance Program that meets the needs of our providers and families, as well as federal recommendations.

The Child Care Assistance Program is the largest form of child care support for low-income working families in Minnesota, available to eligible children up to age 13 for before/after school and summer care. Child Care Assistance helps families secure stable child care while they work toward financial stability via employment or education.

- **HF 4735 returns Minnesota to the 75th percentile provider reimbursement rate in place before the Great Recession, a provider reimbursement rate recommended by the federal government.** Child Care Assistance provider reimbursement rates that are well below market rates for far too many providers jeopardize child care professionals' ability to accept children using Child Care Assistance, to expand or even remain in business and provide the high quality care and education every Minnesota child needs and deserves.
- We strongly support expansion of the family definition for **Child Care Assistance Basic Sliding Fee eligibility to include foster care families, relative custodians, successor custodians, and guardians.**
- **By permanently reprioritizing the Basic Sliding Fee waitlist, HF 4735 ensures more families and children have access to support, while moving us closer to the ultimate goal of eliminating waitlists entirely.** State underinvestment in the Child Care Assistance Basic Sliding Fee program has resulted in children and families ending up on waitlists, sometimes for years. Waitlists are not just bad for children and workers, they are bad for our businesses and our economic recovery.

Finally, **we appreciate the inclusion of a minimum, basic long-term support for child care providers in the form of ongoing Stabilization grants.** The economics of child care were broken before COVID-19 and Child Care Assistance Program investments alone won't fix that problem. Employers and economic development professionals across the state recognize child care as one of their most pressing needs, as many families cannot enter or re-enter the workforce because they cannot find or afford child care. These proposals make important, necessary steps towards the child care system our state needs to thrive.

Catholic Charities of St. Paul & Minneapolis
Children's Defense Fund – Minnesota
Elders for Infants
ISAIAH/Kids Count on Us
LSAP Legal Services Advocacy Project
Minnesota Alliance of YMCAs
Minnesota Budget Project
Minnesota Child Care Association
Minnesota Prenatal to Three Coalition
North Star Prosperity