



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 vital Child Care Assistance Program investments included in HF3861.**

These investments would go a long way towards creating a Minnesota Child Care Assistance Program that meets the needs of more families and children throughout our state.

**The Child Care Assistance Program is the largest form of child care support** for low-income working families with infants and toddlers in Minnesota (and remains 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.

- **HF3861 would increase the number of families eligible for the Child Care Assistance Program by raising the income limit to the federally allowable cap of 85% state median income.** Over two decades ago, Minnesota made it harder for Minnesota families to afford childcare by reducing the entry-level income limit to only 47% state median income. This change in the Child Care Assistance Basic Sliding Fee program has resulted in Minnesota's eligibility requirements being among the lowest in the country. It means that a family of three making \$45,000 annually would have to spend between 20-25% of its budget on childcare for a toddler (and even more for an infant).
- **HF3861 would ensure that a family of three making \$45,000 annually would qualify for the program and pay 5%-7% of its budget on childcare for a toddler.** This simple investment in our families would dramatically change the financial security of thousands of families around the state. It would incentive families to return to the workforce or apply for a higher paying job. In a time of unprecedented worker shortage, Minnesota can not afford to allow childcare to remain unaffordable for large swaths of the workforce.
- In addition to these changes, HF1747 and the Governor's proposal to **increase provides rates, eliminate the Child Care Assistance waitlist, and expand the definition of eligible caregivers** would create a Children's Assistance Program that works better for Minnesota families and children.

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. HF3861 and the other investment proposals would bring us a long way towards a Child Care Assistance Program our children, families and employers need.

Kids Can't Wait looks forward to working with this committee and other lawmakers to strengthen and to expand Child Care Assistance access across our state.

Catholic Charities of St. Paul and Minneapolis  
Children's Defense Fund Minnesota  
ISAIAH/Kids Count on Us  
Minnesota Budget Project  
Minnesota Child Care Association

MN Prenatal to Three Coalition  
Minnesota Alliance of YMCAs  
YWCA Minneapolis  
LSAP Legal Services Advocacy Project