



Access to affordable childcare is central to our state's economic vitality. Currently, availability and affordability of childcare are persistent challenges across the state that have been exacerbated by broader workforce and economic challenges. Increased investment in childcare infrastructure, training/licensure assistance, as well as increases to Childcare Assistance Programs (CCAP) and Basic Sliding Fee (BSF) are necessary to ensure availability of safe and affordable childcare, no matter where someone lives and to support providers with appropriate rates. The Association of Minnesota Counties (AMC) and Minnesota Association of County Social Service Administrator's (MACSSA) support making necessary changes and investments in the area of child care, including making the 2021 changes to the Child Care Assistance Program (CCAP) Basic Sliding Fee (BSF) waitlist permanent – allowing more working families to be served, increasing workforce participation and ensuring fiscal stewardship and stability.

CCAP Basic Sliding Fee is key to stabilizing families and reinvigorating local economies. Access to affordable childcare is central to our state's economic vitality. Currently, availability and affordability of childcare are persistent challenges across the state that have been exacerbated by broader workforce and economic challenges. Making these changes permanent is needed to ensure scarce BSF funds are invested in families who are not already getting child care assistance and to support providers.

Summary of Basic Sliding Fee Child Care Assistance and waitlist

Basic Sliding Fee (BSF) Child Care supports families who are striving to work and helps them avoid enrolling in the Minnesota Family Investment Program (MFIP), a Minnesota public assistance program, while also ensuring children in the family have access to safe and reliable childcare. BSF childcare offers families a ladder out of poverty. As of December 2021, 689 families across the state are on the waitlist. In December 2020, just over 2000 families were on the waitlist.

How does CCAP BSF work? Counties receive a capped allocation annually for BSF. When the number of applications and need for care exceed the available funds, the county must establish a waitlist to access assistance. Moving families from the waitlist to BSF when funding is available, can only be done by following complex rules laid out in statute.

Reprioritization is already helping more working families and increasing workforce participation

The temporary, reprioritization changes made in 2021 made it possible to prioritize families who do not already have childcare over those who have childcare paid for through MFIP, making it possible for families to access affordable childcare immediately. These changes help support parents earning entry level wages not only work, but also focus on education or career pathways, leading them on a path out of poverty. Childcare assistance focuses on three important factors that impact wellbeing of families and communities: offering support to working parent(s), providing stability for children, and investing in early education for children which assists with school readiness. Unfortunately, in many counties across the state, the limited BSF funding means that there isn't enough funding to support families who are not receiving public assistance benefits. Before this temporary change, the problem was so significant that many families made the difficult decision to apply for MFIP just to access childcare services. Counties also saw families deter ending their participation in MFIP in order to ensure access to childcare so they could continue to work. For example:



In July of 2021, a single mom with 2 kids applied - at the time of her application she was only working part time – now because of CCAP, she started a new full time job, nearly doubling her income to \$18/hour.

In June of 2021, we also served a single dad with 2 kids who applied due to a change in his custody situation. Without child care assistance, his family would likely have been disrupted and he would not have been able to keep his full time job, making \$24.89 at a local employer.

AMC and MACSSA strongly support making the temporary reprioritization changes permanent – allowing more families to be able to count on affordable childcare and participate in Minnesota’s workforce, directly impacting our economy and the prosperity of our communities. Not only will this change help families, it will support employers facing workforce shortages, a key to long term economic growth.

Cost

To create more equitable access for the families who are not on public assistance, the BSF reprioritization requires a modest investment in MFIP forecast funds to allow for offering services to already eligible families, while making it permanent will bring widespread economic returns.

Summary of changes made to CCAP BSF during the 2021 Legislative Session:

CCAP Basic Sliding Fee Waitlist Reprioritization – Changes Made in 2021 Session	
Prior to 2021	Existing
Priority 1: Students in need of high school education.	Priority 1: No change.
Priority 2: Families currently receiving CCAP due to their former MFIP participation (i.e., transition year families or transition year extension families).	Priority 2: Families not receiving CCAP in which one parent is a veteran (moved from priority 4).
Priority 3: Families currently receiving CCAP , who move to a new county with a BSF waitlist.	Priority 3: Families not receiving CCAP who need CCAP to work, participate in work-related training, or job search. The majority of families are in this wait list category (moved from priority 5).
Priority 4: Families in which one parent is a veteran.	Priority 4: Families currently receiving CCAP , who move to a new county with a BSF waitlist (moved from priority 3).
Priority 5: Families not receiving CCAP who need CCAP to work, participate in work-related training, or job search. The majority of families are in this wait list category.	Priority 5: Families currently receiving CCAP due to their former MFIP participation (i.e., transition year families or transition year extension families (moved from priority 2).

For more information, please contact:
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