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Chair Wiklund and Members of the Senate Health and Human Services 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 SF 14 and other immediate investments in Minnesota's early care and learning system in SF 53.

SF 14 restores reimbursement rates to the **federal standard of 75% of current market rates** and moves us towards a child care system that better meets the needs of our providers, families, kids, and entire economy. 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.**

- SF 14 **finally returns Minnesota to the 75th percentile provider reimbursement rate** that was in place over twenty years ago.
- **Only six states have lower** reimbursement rates for providers.
- Current Child Care Assistance provider reimbursement rates that **are far below market rate.**
- Increased rates incentivize more providers to participate in the program and **increases choices and access to childcare for families.**
- Low rates 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.**
- Child care providers use increased rates to help **recruit and retain quality staff** to care and educate children in their programs.

With historic budget surplus and incredible need throughout the state, the time is now to invest in children, families, childcare providers, and our entire economy. **We urge swift action** in passing this long-needed increase in funding and look forward to working with the committee on further strengthening our childcare system as the session progresses.

Catholic Charities Twin Cities
Children's Defense Fund
ISAIAH/Kids Count on Us
Joint Religious Legislative Coalition
Legal Services Advocacy Project

Minnesota Alliance of YMCAs
Minnesota Budget Project
Minnesota Child Care Association
Minnesota Prenatal to Three Coalition