Senator Melissa Wiklund Chair, Health and Human Services Finance and Policy 95 University Avenue W., Saint Paul, MN 55155

January 23, 2023

Chair Wiklund and Members of the Committee.

On behalf of the Start Early Funders Coalition, we express our support for SF 14 and SF 53 providing emergency short term funding to prevent significant hardship in the field of child care and early learning as we reach a financial cliff for many providers. We are a coalition of funders with a shared vision that every child in Minnesota is physically, socially, emotionally and cognitively prepared for school and lifelong success. Our coalition is committed to supporting policies that will benefit low-income children, rural children and families as well as Black, Indigenous and children of color and their families; and the programs that serve them.

Early childhood professionals are the backbone of our economy as the businesses that keep other businesses open and operating. With child care and early learning providers, parents would be unable to work, businesses would close and communities would suffer. And yet, our early childhood businesses are struggling to remain open because the business model fundamentally does not work, and our system of support leaves providers to fend for themselves. Providers have been asking for these types of support, and this short term funding will provide immediate help to bridge our child care and early learning sector as we build long-term sustainable changes that fix the system.

"If we could get CCAP to the 75-percentile reimbursement rate, it would mean <u>more</u> access and opportunities for <u>more</u> families to experience quality early childhood education." Zina Johnson, Director of Mary T. Wellcome Child Development Center at Phyllis Wheatley Community Center in Minneapolis.

"If we could get CCAP to 75 percentile reimbursement rate childcare centers would be able to provide equitable educational opportunities in a larger scale to children living at or below the poverty level *and* early childhood teachers could start to receive equitable recognition in pay for the work they do to prepare children for school." Deb Lund; Executive Director of Baby Space in Minneapolis.

If rates for CCAP were to be raised to 75% reimbursement, it would significantly help not only the financial health of our childcare business, by increasing our revenue, but also open up opportunity for more families to attend our childcare center. There would be a smaller gap between our prices and the reimbursement rates, giving lower income families financial support to attend their choice in providers." Courtney Greiner; Owner and Director of Mini Mos Childcare Center in Esko, MN.

We support a robust early childhood system that gives children and families access to a continuum of high-quality childcare and early learning programs. We must maintain and continue to grow equitable investments in critical early childhood programs based on ongoing community feedback and guidance.

Thank you,

Carrie Zelin Johnson

Start Early Funders Coalition Coordinator, Start Early Funders Coalition