

Chair Melissa Wiklund
Senate Health & Human Services Committee
RE: SF 2966



March 23, 2023

Dear Chair Wiklund and Members of the Committee,

I write today on behalf of the Minnesota Child Care Association (MCCA) in support of several child care provisions put forth in the Governor's budget. As a Great Start for All Minnesota Children Task Force member and organizational supporter of the Great Start Act, it is wonderful to work with an administration so dedicated to early care & education. We are thrilled to see many proposals that move Minnesota in the direction of the Great Start Task Force recommendations and bill heard recently in this committee. We must focus on quality for children, affordability and choice for parents, and increased compensation for early educators to truly address our child care crisis.

Child Care Assistance Program (CCAP)

This budget revises the definition of "family," so that foster parents, custodians, and guardians may qualify for this support. Having worked with many such parents over the years who have upended their lives in order to take on parenting responsibilities they often did not expect, they are dismayed to learn that they cannot access child care assistance even if they are low-income. We owe such families all the support we can offer when they step up to the plate for children and our community. This proposal also restores CCAP reimbursement rates to the federally-recommended 75th percentile of current market rates. It has been 20 years since massive budget cuts dropped our state from that benchmark, and it is no surprise that we have watched an increasing child care crisis in the intervening years. Finally it permanently reprioritizes the CCAP Basic Sliding Fee wait list, a policy item of immense proportions. This change is currently temporarily implemented, and it caused CCAP waiting lists around the state to drop and stay low. Without certainty that this reprioritization will remain after the initially-authorized three year period, many counties have pulled back in CCAP management and are being more conservative in families who gain access to this support, while being liberal in placing families on wait lists. Ramsey County *alone* has a current wait list of over 4,000 children. That is far higher than we have often seen for a *statewide* waiting list, and shows the urgency of making this change and getting CCAP support to families more quickly, so that they may be in the workforce.

Child Care Retention Payments

This is an ongoing child care sector compensation support designed to pick up where current Child Care Stabilization Grants, which are 70-100% aimed at increasing compensation, will leave off when they end in June 2023. This is an innovative and nation-leading proposal to support child care supply, and follows a recommendation of the Great Start Task Force that provider receive some type of base operational funding in addition to funding that follows each child. Stabilization Grants were just that – meant to stabilize, not to expand, enhance, or improve. We cannot allow early educators to go backwards in compensation. We know the labor market has changed since the beginning of the pandemic, and child care is still a low-wage field compared to all others requiring similar education. Our field loses talented educators constantly to retail and other industries that can pay far more for far less responsibility. Without Child Care Retention Payments families across Minnesota will see an immediate tuition increase once Stabilization Grants end. The choices are impossible: either providers decrease wages without this public support (and lose educators, therefore losing ability to operate at capacity and shrinking child care supply), or families are hit with increased tuition to make up the difference (we're already in a crisis, we know many families cannot pay any more, so they will lose access to child care). We are talking about the professionals who care for and educate our youngest and most vulnerable Minnesotans, and who do it in the period of life when brain development is most rapid, setting children up for lifetimes of success (or not). Ongoing compensation supports must remain a priority.

Other Child Care Workforce Supports

In addition to compensation, this proposal also continues several additional workforce support strategies already in operation. Empower to Educate is an apprenticeship program including mentoring, access to low or no cost higher education and training, and intensive support. Child Care Wayfinder is a one-stop shop for those looking to open or

expand child care programs, and we all know we need more providers offering more quality spots for children. The T.E.A.C.H. scholarship is a long-standing state-national partnership that supports early educators in paying for and accessing higher education, increasing quality for children while also increasing each individual's own education and economic potential. All of these efforts work together to grow, expand, and improve Minnesota's child care workforce and supply.

We look forward to working together to build on this comprehensive foundation.

Sincerely,

A handwritten signature in cursive script that reads "Clare J. Sanford".

Clare Sanford
MCCA Government Relations Chair