



## First Children's Finance

April 8, 2025

Senator Melissa H. Wiklund, Chair  
Health and Human Services Committee  
Minnesota Senate Building  
St. Paul, MN 55155

### **Re: Support for Child Care Improvement Grants in S.F. 2669**

Dear Senator Wiklund,

On behalf of First Children's Finance, I am writing to thank you for including funding for including \$2 million in FY 26-27 to support the continuation of the child care facility revitalization grant program in the Senate Health and Human Services omnibus finance bill. Introduced as S.F. 1897 (Kupec), these dollars will allow for the continuation of needed support to child care providers with facility repair needs and result in the retention and creation of new child care slots for children across Minnesota.

As current holders of a contract with the Department of Children, Youth, and Families to administer these funds, First Children's Finance has seen the difference that small grants for facility repairs can make in the availability of child care. With equity-focused strategies such as no matching funds required, up-front payment rather than reimbursement, and allowance for private child care businesses to apply directly, this program has ensured that the small businesses that Minnesota trusts to care for our children have an equitable opportunity to access capital to address their facility needs.

With an average grant award of approximately \$9,000, this program provides a fantastic return on investment and helps bridge the financing gap, particularly for small, rural, and BIPOC-owned or culturally specific providers who often struggle to find private sector financing. To date, the child care facility revitalization grant program has improved the safety and quality of thousands of child care settings across the state and, in doing so, created 7,000 new child care slots.

We thank you and the rest of the Health and Human Services committee for your support and partnership in this endeavor.

Sincerely,

Suzanne Pearl  
Minnesota Director  
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