



April 9, 2025

Chair Melissa Wiklund
Senate Health and Human Services Committee
Sent via email only

Re: SF 2669
Senate Health and Human Services Committee Omnibus Budget and Policy Bill

Dear Chair Wiklund:

Thank you for a successful committee process this year. My staff and I enjoy working with you and look forward to continuing our work together to make Minnesota the best place to raise a family. I recognize the state's fiscal position makes crafting a budget more difficult and appreciate the difficult work required to prepare your thoughtful bill.

Thank you for including the DCYF policy bill in its entirety. DCYF staff work diligently to craft policy proposals. They are intended to provide greater clarity in our laws, and to make thoughtful policy changes developed through engagement with counties, advocates, and community, and through Tribal consultation.

Thank you for including many of the Governor's budget provisions. Specifically:

- I appreciate the decision to fund establishment of electronic enrollment and attendance records-keeping for the Child Care Assistance program (CCAP). This is an important program integrity measure. However, the failure to include an ongoing appropriation leaves the agency without funding to maintain the system and provide ongoing support to providers after the 26-27 biennium.
- The inclusion of funding for CCAP federal compliance will allow Minnesota to show progress toward meeting recent federal compliance audit findings and address some of the new federal requirements – both of which are needed to avoid penalties to the state's federal child care funding. Thank you for your attention to that critical need.
- I am happy to see that you included DCYF's operating adjustment. This will help us address growing cost pressures in a way that minimizes impacts to the quality of services we provide.

- I appreciate that you have included flexibility in how we manage our Indian Child Welfare grants to better support our Tribal Nations and Communities in their child welfare work, as well as the ability to use our Public Private Permanency Collaboration to support transfers of permanent legal and physical custody to relatives, which is critical given the number of relative placements continues to increase.

I appreciate your strong commitment to funding Child Welfare SSIS modernization. Only through partnership with the Legislature will the state be able to modernize a system that has become an impediment for child welfare workers to provide children and families with the highest level of service possible. Modernization of SSIS will allow case workers to focus their time on children and families rather than spending hours on data entry.

As the bill moves through the process, I hope we can address a few items:

- The decision to cancel transition funding for DCYF will leave the agency without resources needed to complete essential transition work. For example, without these one-time funds, the agency will not have resources to complete specialized modifications to a new space may be needed to comply with Social Security Administration requirements.
- This bill directs DCYF to move \$4M in state spending on MFIP to TANF each year. This would significantly reduce the available TANF fund balance through the budget horizon. Additionally, we are evaluating whether we can shift resources between funds the way the bills directs us to do.
- While we appreciate that you included the transfer authority with DHS and MDE we will need more time than three months to assess any adjustments needed between legislative sessions.
- We appreciate the committee's dedication to supporting important programs that help Minnesotans with low incomes get what they need to thrive, including funding for the prepared meals program, regional food banks, food shelves, and facilities improvement grants for child care programs.
 - However, this funding does not include required administrative staff to ensure we can provide technical assistance and program integrity for these programs.
- DCYF recognizes the important need for the child welfare fiscal analysis that is included in the budget.
 - This work will allow us to dig more deeply into we fund child welfare in Minnesota to better ensure we are maximizing available federal resources and avoiding the creation of geographic disparities in supports and services available to children and families due to the reliance on local property taxes.
 - It will also be helpful to obtain an accurate picture of local agency child welfare costs in our state supervised - county administered system.

Thank you for the opportunity to share my thoughts.

Sincerely,

A handwritten signature in black ink, appearing to read "Tikki Brown".

Tikki Brown

Commissioner, Department of Children, Youth, and Families