



April 7, 2025

Re: SF1832 Senate Jobs Omnibus Bill

Dear Chair Champion, Lead Draheim and members of the Jobs and Economic Development Committee,

We are reaching out on behalf of the Minnesota Initiative Foundations to provide feedback on SF1832, the Senate Jobs Omnibus bill. The Minnesota Initiative Foundations are six regional foundations that work to strengthen the communities and economies of Greater Minnesota. Each Foundation serves its geographic region by delivering grants, business financing, regional programs, belonging work and donor services. We are also regular collaborators on statewide initiatives.

The work of the Minnesota Initiative Foundations intersects with this Committee in a few key ways; awarding PROMISE Act grants in Greater Minnesota, managing PROMISE Act loans in Greater Minnesota and strengthening and expanding childcare availability in Greater Minnesota. We wanted to share our appreciation for the policy changes included in your bill for both the PROMISE Act grant and loan programs on lines 76.25 - 80.9 as well as additional PROMISE Act grant funding. Small businesses are one of the keys to growing Greater Minnesota community vitality and these resources will allow us to have additional tools to support those entrepreneurs.

We also wanted to share our appreciation for the ongoing funding included in the bill for the work of the Minnesota Initiative Foundations on childcare but urge you to increase resources for this key work. In the childcare space, we are focused on creating and bolstering long term, community centered childcare solutions that meet the high demand for childcare while supporting parents and childcare providers alike. We have had tangible success in Greater Minnesota by working with local communities, non-profits, businesses, schools and leaders in the child-care field to address gaps in the system, recognizing that a sustainable child-care ecosystem requires investments on multiple fronts.

SF1932 includes ongoing funding that supports the Minnesota Initiative Foundation's childcare work, but the childcare crisis continues to be acute in Greater Minnesota with a shortage of almost 42,000 childcare slots and these resources are unlikely to be sufficient to meet the needs. We wanted to flag that there is a base funding drop of \$5 million from FY24-25 included in this bill, which will reduce key Greater Minnesota childcare initiatives. This funding represents a key area where the MIFs meet the mission they were created to serve - to be a critical partner to the committee and the state Legislature to deliver on their priorities for all of rural Minnesota.

MIFs Overall Childcare Impact

Each of the MIFs developed multi-year work plans designed to meet the unique needs and opportunities within their respective regions within the four legislated objective areas. Over the past five years, the MIFs have:

- Assisted 183 rural communities and collaborated with more than 1,100 local partners to develop 131 childcare action plans aimed at growing, expanding, and stabilizing licensed childcare.

- Leveraged funding and community resources to help create 4,362 new childcare slots through 157 start-up and expansion projects.
- Provided 8,831 hours of expert tailored technical assistance to 1,728 childcare programs at various stages including start-up, expansion, and/or stabilization.
- Conducted 634 childcare trainings for 7,551 participants to support improved business acumen and program quality improvement. Topics included business planning, leadership development, social-emotional learning, early literacy, and more.
- Supported 1,412 licensed childcare providers to earn, maintain, and/or increase their Parent Aware Quality Improvement Rating, as well as receive curriculum, assessments, and other resources to support program quality.

As the Committee continues your work throughout the legislative session, we would urge you to commit additional resources toward this childcare work to help close the childcare shortage in Greater Minnesota. When parents cannot find childcare, it keeps them out of the workforce. Parents can either not participate or cannot fully participate in the labor market and businesses are constrained in hiring and retaining these workers.

Thank you for the opportunity to provide feedback on SF1932 and we look forward to working with you as you finalize the Jobs Omnibus bill.

Thank you,

Tony Sertich, President/CEO - Northland Foundation
 Linda White, President/CEO - Northwest Minnesota Foundation
 Anna Wasescha, President- West Central Initiative
 Brian Voerding - President Initiative Foundation
 Tim Penny, President/CEO - Southern Minnesota Initiative Foundation
 Scott Marquardt, President- Southwest Initiative Foundation