

KIDSCAN'T WAIT

Dear Minnesota Policymaker:

Kids Can't Wait -- a coalition of nonprofit, faith, child care, and business advocates -- strongly supports HF4374 (Pinto), legislation that increases child care assistance (CCAP) provider reimbursement rates that are a fraction of actual costs and out of compliance with federal law and will help families get the child care they need.

Kids Can't Wait was pleased to see the Minnesota Legislature take serious emergency action to save the child care sector from collapsing during the COVID-19 crisis. **Thank you for passing the \$30 million Peacetime Emergency Child Care grant program.** While this was an important first step, additional action is needed so that child care providers can help the state address two intertwined emergencies in both the short and longer term: one public health and the other economic. **The number one thing that Minnesota can do to address both short and long-term child care needs is increase CCAP reimbursement rates.** Addressing provider rates is good for providers, who need to sustain their businesses, and families, who need sufficient providers to be available to care for kids.

In the short term increasing the CCAP provider rate would provide additional revenue across the state to help providers deal with increased expenses due to the public health emergency (restrictions on group sizes, heightened screening and sanitizing procedures, etc.) as well as easing essential worker access to child care (lessening the gap between provider tuition and reimbursement rates, a gap that often falls on families to bridge).

In the long-term this is a structural modification to help stabilize providers into the future, including offering higher wages as currently required pandemic operating procedures lessen. We will no doubt lose many child care providers as a result of the COVID-19 economic emergency. Setting up the field with greater stability will allow those providers still operating to ramp up more quickly, and hopefully allow some who earlier needed to close to reopen. Child care was a difficult business pre-COVID-19. Increased reimbursement rates would add an incentive for more providers to come online as our communities go back to work and families need access to affordable child care

The Child Care Assistance Program is the largest form of child care support for low-income working families with infants and toddlers in Minnesota (and remains available to eligible children up to age 13 for before/after school and summer care). Minnesota families are currently under strain due to COVID 19, and low-income Minnesotans are facing the steepest challenges as we work to revive the state's economy as the emergency subsides. Improving access to affordable child care is crucial to helping all Minnesotans recover from the unprecedented effects of COVID-19.

Please support providers and low-income families by passing HF4374.

ISAIAH
Joint Religious Legislative Coalition Minnesota
Child Care Association
Children's Defense Fund – Minnesota

Minnesota Head Start Association
Minnesota Prenatal to 3 Coalition
Minnesota State Alliance of YMCAs
Minnesota Budget Project