



Letter to Taxes Conference Committee

May 16, 2022

Dear Chair Marquart, Rep. Youakim, Rep. Lislegard, Rep. Her, Rep. Davids; Chair Nelson, Sen. Weber, Sen. Gazelka, Sen. Bakk, and Sen. Rest:

ISAI AH is a statewide organization of congregations, mosques, childcare centers, and barber shops. Our mission is to build a democracy that respects every person's dignity and a caring economy where everyone can thrive. We are proud to host Kids Count On Us, a coalition of 512 child care centers, serving over 25,000 children across Minnesota.

No matter where they live or what they look like, every Minnesota child deserves an enriching environment, especially during their formative early years. Yet for too long, we have failed to ensure support for families with young children.

The truth is, our childcare system is broken, and dangerously close to collapse. Many people without young children don't realize that it costs more to put a child in childcare than in college. Yet most families with young children are still early in their own working lives. In other words, we expect the most financially of families when they are least able to afford it.

At the same time, as a state we ask childcare workers to do the most important and arguably most challenging work in the state, for wages that are among the lowest of any industry, just over \$13 an hour. Childcare centers are facing a crisis in finding and retaining staff.

The lack of public support for childcare keeps people out of the workforce. It drives the gender pay gap. And it means too many children don't get the early education they need to thrive. This failure hurts everyone in our state, but it hits families of Black, Indigenous and People of Color hardest.

In the tax bill you have the opportunity to address this problem by increasing the amount of the childcare tax credit. The tax credit will help families across Minnesota with their childcare expenses, which often exceed even a mortgage payment on a monthly basis. We urge your support for the childcare tax credit, along with other worthy and important provisions such as improving and expanding the renter's credit and the student debt tax credit.

Thank you for your consideration of these important provisions, and for your service to the people of Minnesota.

Sincerely,

Lars Negstad
Policy Director