



To: Minnesota House Early Childhood Finance and Policy Division
From: Christa Anders, Coordinator, Transforming Minnesota's Early Childhood Workforce
Date: June 10, 2020
Re: Increasing Child Care Assistance Program (CCAP) Rates

I write to you today about increasing CCAP rates in Minnesota. Of course, there is a need to comply with federal requirements and conform our rates. There are other equally important reasons why the time is now to address Minnesota's unacceptably low CCAP rates.

For too long, the market of early childhood in Minnesota (and indeed, in this country) has been built on the backs of the early childhood workforce who earn poverty level wages so that parents can afford child care. These underpaid educators are literally subsidizing the economy of Minnesota through their willingness to accept such low wages. The early childhood workforce is comprised almost exclusively of women including significant numbers of indigenous women and women of color. We do not have good data in Minnesota but we estimate that up to 40% of the early childhood workforce is made up of Black and brown educators. This diversity is a huge asset as we know that our increasingly diverse Minnesota children need educators who look like them. These educators earn even less than their White counterparts. Nationally, African American educators earn \$.78 less per hour than white educators or almost \$2,000 a year less.¹ While this might not seem to be too significant, for workers earning only \$20,000 a year, \$2,000 is a big difference.

As the Foundation for Child Development recently stated:

"The current status of the ECE workforce includes unlivable wages and benefits, disrespect and failure to be recognized as professionals, inadequate access to high-quality educator preparation, and a dearth of meaningful ongoing professional learning. These realities are rooted in institutional racism which denies access, compensation, and professional advancement. The conditions under which these educators work and the devastating impact those conditions have had on the educators, their families, and the children they serve have long been known. We will do nothing to further perpetuate an unjust and broken patchwork of ECE services. We must build a coherent and equitable system that works for young children, their families and the educators who serve them." Foundation for Child Development, June 2, 2020

There are many steps we need to take to make this broken system work for the children and the adults who serve them. One of the first steps that the Minnesota Legislature needs to take is to increase CCAP rates. The National Academies of Sciences, in its report, Transforming the Financing of Early Care and Education², recommends that ALL children have access to high quality, affordable early care and education and that early childhood providers receive payments that are sufficient to cover *the total costs* of high quality early care and education. Low CCAP rates are one of the factors that have contributed to the exodus of child care providers out of the field of early care and education. As we seek to re-open our economy after the global pandemic, we know that safe, high-quality early care and education is going to be crucial to our collective success. Raising CCAP rates is one step that the legislature can take to help our economic recovery and address some of our racial disparities.

¹ Austin, L., Edwards, B., Chavez, R., and Whitebook, M., Racial Wage Gaps in Early Education Employment, Center for the Study of Child Care Employment, University of California, Berkeley, December 2019. Available online at: <https://cscce.berkeley.edu/racial-wage-gaps-in-early-education-employment/>

² National Academies of Sciences, Engineering and Medicine, Transforming the Financing of Early Care and Education, 2018.