

KIDS CAN'T WAIT: 2017 LEGISLATIVE AGENDA

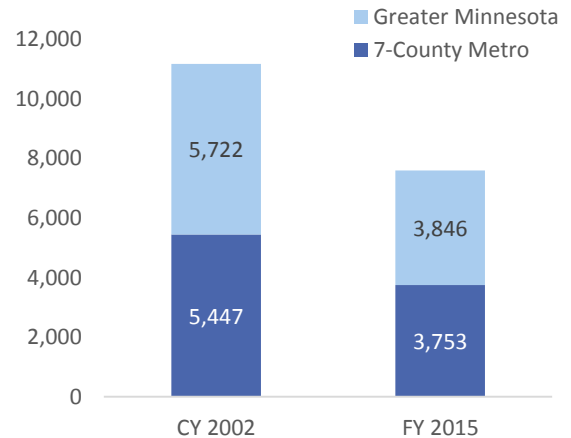
Increasing Access to Affordable Child Care through Basic Sliding Fee

Basic Sliding Fee Child Care Assistance helps families provide stable, nurturing care environments for children so parents can strive for success at work. Families are eligible to begin accessing Basic Sliding Fee if they earn less than 47% of the state median income – or about \$37,000 for a family of three. Basic Sliding Fee serves families with children under age 13 by reimbursing a family's chosen child care provider; families also contribute an income-based payment.

Basic Sliding Fee is funded via appropriation, and at current funding levels, about 5,400 families are left on a waiting list. Additionally, because the program's state budget allocation has decreased over time, Basic Sliding Fee serves about 3,700 fewer families than it did in 2002.

Kids Can't Wait supports increased funding for Basic Sliding Fee so that all eligible families can access Basic Sliding Fee Child Care Assistance as they search for stable, nurturing care for their children.

The Number of Families Served by Basic Sliding Fee Has Decreased Over Time



Improving Child Care Assistance for Families and Providers

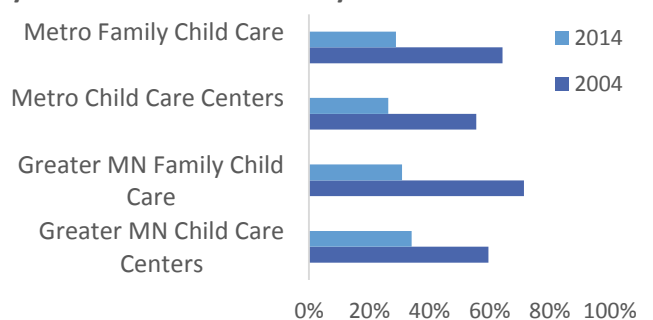
Basic Sliding Fee is part of the Child Care Assistance Program (CCAP), which also includes families accessing the Minnesota Family Investment Program (MFIP). When a child care provider accepts a child whose family utilizes CCAP, the reimbursement they receive is determined on a county-by-county basis, and is also calculated using the age of the child and the number of hours of care.

This provider reimbursement is long overdue for an update. Fifteen years ago, provider payments were set at the market rate; today's rates were frozen based on a 2011 survey and cover less than a third of the provider rates in the state. That limits families' choices for child care because most providers would risk taking a loss were they to fill one of their already-in-demand slots with a family accessing CCAP.

Additionally, CCAP's eligibility requirements have fallen out of step with national best practices. Updating some of these standards to match new federal guidelines will simplify the program for providers and families.

Kids Can't Wait supports higher reimbursement rates for CCAP providers and the "family-friendly" provisions contained within the state's reauthorization plan for federal child care funding.

Few Child Care Provider Rates are Covered By CCAP Reimbursement Payments



Provider rates covered by maximum rates

For more details, please contact Jessica Anderson at 651-230-2486 or janderson@childrensdefense.org.

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Data source: Kids Can't Wait analysis of DHS reports.

The Basics of Basic Sliding Fee

Minnesota's Child Care Assistance Program (CCAP)

Basic Sliding Fee covers kids from birth to age 13

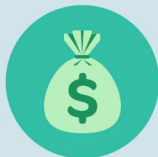


BSF covers child care for times of the day and days of the week needed for parents to work



BSF allows parents to work and employers to fill jobs

State investment in Basic Sliding Fee has decreased by 25 percent since 2003 (inflation-adjusted)



5,500 families across the state are on waiting lists



Child care costs take up a larger and larger share of a family's budget. The average annual cost for enrolling a four-year old in a child care center is \$11,400.

Basic Sliding Fee is the foundation for affordable child care for families throughout Minnesota. It allows families to work their way into economic security and stability, while giving children an enriching environment in which to grow and develop.



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For more information: www.mnbudgetproject.org/current-agenda/Making-Affordable-Child-Care-Available-to-More-Minnesota-Families (January 2017)