

Position Statement

2021

Increase Access to Basic Sliding Fee Child Care

Proposal

Issue: Insufficient funding is available to assist low income families to secure quality child care, many of which are essential workers directly impacted by the pandemic. The Basic Sliding Fee (BSF) Child Care Program supports families who are striving to work and avoid going onto MFIP, while also ensuring that the children in the family get the benefits of child care. BSF child care offers a ladder and support out of poverty. Legislative action is needed so that counties can serve more families of essential workers with the Basic Sliding Fee Child Care program with a reduced risk of needing to spend local property tax dollars.

Implementation Strategy: MACSSA supports increasing resources and aligning existing resources to reduce BSF waiting lists in counties that have them, while maximizing spending across the state to better meet the needs of Minnesota families.

MACSSA will seek legislative action to simplify the Basic Sliding Fee (BSF) Child Care Program by reordering the BSF wait list priorities to increase the use of forecast funds. The proposal would reorganize the 5 existing categories within the Basic Sliding Fee (BSF) child care program. Currently, counties are required to prioritize funding for families exiting MFIP. However, these families are already receiving child care through the MFIP Child Care Program, which does not use limited county BSF funds. The proposal would no longer require scarce BSF funds to be spent on these families until all other categories have been served, including veterans, and working poor families (the largest category). More children would receive care and more families of essential workers would receive child care assistance. This action will also increase county ability to maximize services while being prudent stewards of local resources.

MACSSA recognizes the need for child care options across the state that meet the needs of families and communities.

MACSSA will support sensible measures that discourage, reduce, and where necessary investigate fraudulent behavior on the part of providers and recipients, and are supported by efficient IT solutions.

Positions and legislation should direct any additional BSF funding toward the purpose of the funding to avoid additional underspending statewide and to sufficiently fund counties experiencing increased need.

Systemic Priority Alignment (check all that apply and explain why)

Equity Service Integration Fiscal Framework

Comments:

Access to Basic Sliding Fee Child Care varies across the state, due to complexities in the formula used to allocate funds to counties. This proposal will assist all counties in serving families, taking an important step toward the goal that families do not experience different levels of access simply due to their county of residence.

The vast majority of residents accessing Basic Sliding Fee Child Care are essential workers. In order to support the state's COVID response it is important to support the ongoing employment of these individuals rather than having them wait for care. Basic Sliding Fee Child Care has adapted to support children in a distance learning environment. Providers can be reimbursed for their work with children who are participating in school-based distance learning while in the child care setting.

Affordable child care helps the adults in the family obtain and maintain stable employment, helps child wellbeing in the critical 0 – 3 age range, and helps children prepare to enter Kindergarten ready to succeed. This stability allows families to begin working on other issues they are confronting. Improved access to BSF Child Care will help families who are receiving Child Protection services. There is an additional connection to SNAP Employment & Training for families who are receiving SNAP and who need child care in order to work.

Counties will be able to serve more families with the Basic Sliding Fee Child Care program with a reduced risk of needing to spend local property tax dollars.

Operational Priority Alignment (check all that apply and explain why)

- Behavioral Health Case Management Child Well Being Community Based Settings & Services
- Health Care Housing & Transportation Modernization Self Sufficiency

Comments:

This proposal was first developed in 2016 through Self-Sufficiency. Access to stable, high-quality child care has been proven to lead to increased child wellbeing. In addition to expanding access for people needing access to BSF child care, this proposal simplifies the administrative process for counties. This simplified process will help pave the way for modernization of BSF child care.

Rationale/Background:

Child care is a key investment in Minnesota families and their children. BSF child care represents support to essential workers in the midsts of a pandemic, a ladder out of poverty and addresses our early childhood goals. BSF also represents an important resource when employers need workers, but potential workers do not have child care. This need has become clear as essential workers struggle to find care for school-age children in a hybrid or distance learning environment. However, over the past 20 years, the BSF has struggled to continue helping working poor families stay employed and off of MFIP. A major portion of BSF been used to fund child care assistance for families who were formerly on MFIP, leaving reduced funds available for other working poor families. Some families recognize this dynamic and make the decision to go on MFIP solely so they can gain access to Child Care Assistance. This proposal would address that unintended problem.

This proposal makes use of priority groups already established in BSF child care. In current law, BSF priorities regulate how BSF waiting lists are maintained, and regulates that families coming off of MFIP – who will continue to receive child care assistance regardless of their BSF status – receive funding before other groups of families waiting for access. It has seemed particularly unfair when veterans end up on a waiting list rather than receiving child care. Expanding forecast funding and removing an entire group of people ahead of them in priority helps eligible families who otherwise may wait years for child care.

Past proposals to forecast the entire BSF have foundered in part on the size of the needed appropriation. By using previously identified priorities, this proposal suggests the next logical step, avoiding previous all-or-nothing approaches.

This proposal simplifies BSF child care for both county staff and families who apply. Counties and their families where there is currently no waiting list will not be harmed by this expansion, and may benefit in future years. This proposal uses much of the current process, simplifying and speeding implementation, with few or potentially no systems changes required in MEC2.

Additional Information:



Submitted by: Elana Gravitz, Dave Saylor & Tiffinie Miller-Sammons
Approved on: [insert date position was approved]

