

## **MN EARLY CARE AND EDUCATION CRISIS WORKGROUP: RECOMMENDATIONS FOR INVESTING AMERICAN RESCUE PLAN FUNDS**

The Crisis Work Group is a broad group of organizations that came together in 2018 to address two crises affecting Minnesota's young children: 1) Worst-in-the-nation achievement and opportunity gaps, stemming in part from lack of access to quality child care; and 2) a shortage of quality child care supply for children statewide. We understand these crises are intertwined and must be addressed in a coordinated way, and each of the crises has been exacerbated by the COVID-19 pandemic.

The recently passed American Rescue Plan includes \$527 million for child care-related investments.

*\*\*MDE should be directed to spend funds down in a way that ensures all recipient children will continue receiving the Scholarship until they reach kindergarten (as current policy requires), either through American Rescue Plan funds or the base state appropriation to avoid creating any “cliff effects.”*

**Child Care Assistance Program.** Maximize available federal resources to the state by ensuring that Minnesota remains in compliance with federal regulations, for example by statutorily tying rates to most recent market rate survey. As investments increase to raise reimbursement rates above the 30th percentile, the CCAP program should be reformed to assure that supports are linked to quality via the Parent Aware Ratings and that children receive continuous access to quality care from birth to kindergarten entry.

**RECOMMENDATION #2: STIMULATE SUPPLY OF QUALITY CHILD CARE PROGRAMS**

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### **RECOMMENDATION #3: MEASUREMENT AND EVALUATION**

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