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13 February 2013

Senator Kathy Campbell, chair Health and Human Services Committee

RE: LB 359

Senator Campbell and members of the Health and Human Services Committee,

I am writing to express our support for LB 359. LB 359 rewards families for working hard and attempting to transition off of public assistance. Families who receive subsidized child care can earn up to \$28,260 (for a family of 4) to qualify for assistance, and LB 359 would give those same families 2 years to earn slightly higher wages and continue to receive assistance as they work their way to self-sufficiency. Those two years could give parents enough time to continue or finish an associate degree, move up the ladder at work, accept small raises, or otherwise plan for their family's economic success before their child care assistance expires.

I do want to caution the committee, however, from expanding child care subsidy services without addressing the issues of quality and accountability of public funds.

Quality in the child care subsidy is important because children and families on the subsidy face adverse circumstances that place their being successful in school at risk. Purchasing quality early childhood opportunities with the child care subsidy will help these young Nebraskans start kindergarten on par with their more advantaged peers. Preparing them to be successful in school will do far greater good (in the long term) than simply offering a work support for their parents. It is in Nebraska's best interest to see children at risk succeed in school. The fact that the child care subsidy does not currently require quality standards for child development actually means that Nebraska often pays twice: once for publicly-subsidized child care, and again because these children often enter the K-12 system still requiring remedial or special education services.

Additionally, the Nebraska child care subsidy represents a public investment of approximately \$95 million per year. Without measures of accountability, we have no way of knowing what we're getting for that significant investment. There are providers who take public child care funds in excess of a quarter of a million dollars per year, and basic measures ought to be in place to ensure responsible use of those funds.

Efforts have been underway for several years now, led by Senator Campbell and others, to ensure that public funds spent on subsidized child care are both accountable and buy a level of care that helps reduce the achievement gap for children at-risk. Senator Campbell's bill, LB 507,

will be heard in this Committee next week, and is an important step towards ensuring accountability of public funds, as well as investing early in quality experiences for our young children at risk of failing in school. It will also have the added benefit of offering providers a pathway for quality improvements.

I urge you to support measures of quality and accountability in the subsidy program, along with your support of LB 359. Thank you.

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