



February 15, 2024

Senator Ben Hansen, Chairman
Members of the Health and Human Services Committee
Nebraska Legislature

RE: LB874

Chairman Hansen and Members of the Health and Human Services Committee,

Thank you for allowing me to testify today. My name is Mitchell Clark, and I am a Policy Advisor for First Five Nebraska, a statewide public policy organization invested in the care, early learning and well-being of Nebraska's youngest children. I am here today to testify in support of LB874 and would like to thank Senator Bostar for his efforts in streamlining the regulatory environment for child care in Nebraska.

In Nebraska, anyone who operates a child care program with four or more children from families other than their own must be licensed and meet certain health and safety standards, staff qualifications and training requirements. Providing quality and safe learning environments for our youngest Nebraskans must be our top priority. But we also know that child care businesses struggle financially to make ends meet. In fact, just to break even a child care program must operate consistently within constraints of what child care business analysts call the "Iron Triangle."¹ In other words, a child care program must operate with full enrollment, collect tuition and fees in full and on time and tuition must cover the true cost of providing care to a child.

Despite their best efforts, very few child care providers manage to adhere to the three key components of the "Iron Triangle." In effect, many providers in Nebraska are operating at a deficit on a regular basis. These factors are highly sensitive to regulatory processes such as the background check process, local enforcement and sometimes conflicting guidance from separate regulatory bodies. This is not only bad news for the sustainability of child care programs, but on a broader scale, the sustainability of Nebraska businesses and stability of our economy which depends on child care.

In closing, LB874 would be a great step toward streamlining regulations for Nebraska's child care industry. By reducing administrative burdens and costs for providers, the outcome would free up resources for improved quality of care, increased capacity and a more stable industry. Additionally, regular regulatory review and enhanced legislative oversight will promote transparency and accountability within the system. Ultimately, LB874 strives to benefit Nebraska's children, families and child care providers alike.

Thank you, Chairman Hansen and members of the Committee for your time and attention today. I urge you to advance LB874 to General File. I am happy to answer any questions you may have.

Sincerely,

A handwritten signature in cursive script that reads "Mitchell Clark".

Mitchell Clark
Policy Advisor
First Five Nebraska

¹ Stoney, L. and Poppick, L. April, 2016. Using Metrics to Drive Quality and Sustainability in Early Care and Education Programs. Opportunities Exchange. <https://www.oppex.org/additional-resources-copy>.