## Prepared Testimony on Senate Bill 2306 introduced by Senators Hogan, Braunberger Representatives Meier, Mitskog, O'Brien February 6<sup>th</sup> 2025

Good morning, Senators Hogan, Braunberger, and esteemed members of the committee. My name is Adrian Miller, and I am the Director of Charge on Together Childcare LLC, a residential group home childcare facility. I stand before you today in strong support of Senate Bill 2306.

I firmly believe that this bill will significantly benefit childcare providers in North Dakota. It addresses the financial challenges that many providers face, offering much-needed stability and support. Contrary to common perception, the high rates we charge for childcare services are largely reinvested into our facilities, staff, and the children and families we serve, in addition to covering taxes. Many do not realize that providers operate on a fixed income, especially when we are at maximum capacity. Unlike other businesses that can expand their services to increase profits, our revenue is limited to the number of children we can care for and the rates we can charge, assuming payments from parents or the state are made on time.

With over 15 years of experience in the childcare industry, working in centers, homes, and group facilities, I can attest to the struggles faced by all providers, regardless of the size of their operation. Childcare providers are among the lowest-paid professionals, which does not bode well for our state's economic growth. We are integral to the workforce, offering vital services to working families, nurturing the next generation, and recruiting new providers to support economic development.

While I wholeheartedly support Senate Bill 2306, I do have some questions and concerns. Firstly, the bill states that providers will only be compensated for the number of children they are licensed to care for. Does this apply solely to full-time children, or can part-time children also be included? For example, if two part-time families collectively occupy one full-time spot, how would this be accounted for, given that part-time attendance may not exceed our licensed capacity?

Secondly, I disagree with the provision that denies payment to providers who have received a correction order in the past three months. Correction orders can be issued for minor infractions, such as a missing trash can lid or normal wear and tear on the facility, which can be subjective depending on the licensor's scrutiny. However, I agree that serious violations, such as exceeding the number of children or endangering their safety, should warrant a penalty.

Overall, I believe that Senate Bill 2306 will provide essential support to childcare providers, enabling them to grow and thrive without facing undue financial hardship.