



## Talking Points for [SB 1419](#): Idaho Child Care Program (ICCP)

Senate Bill 1419 was introduced in the Idaho Legislature Friday, 3/20/26. The bill would make sweeping changes to the Idaho Child Care Program, reduce access to care for working families, make the program less flexible, and threaten the long-term stability of Idaho's child care infrastructure.

### Why This Bill Is Harmful

#### **1. It rewrites the entire Idaho Child Care Program—without input from providers or participants.**

- The bill deletes the Idaho Child Care Program from administrative rule and replaces the rules with new statutory language regarding program parent eligibility standards, provider requirements, and program integrity.
- Child care providers are the backbone of the system, yet they were not meaningfully consulted on this program rewrite.
- This top-down approach ignores the child care providers who actually serve Idaho families every day and risks destabilizing what currently works. Decisions about Idaho families should be guided by Idaho voices, not outside interests or special interests.

#### **2. It imposes stricter income and asset limits that will push working families out of the program.**

- The bill reduces eligibility standards for parents to qualify for the Idaho Child Care Program subsidies. It sets income eligibility for the program at 135% of the federal poverty level, a significant decrease from the maximum allowance of 175% currently written in the program's IDAPA Rules 16.06.12.<sup>1</sup>
- It also reduces the asset cap, which limits how much a family can own and still qualify for child care assistance, from \$1 million to \$500,000. Because the program considers total assets without exclusions in the cap, homes, cars, and savings accounts are included in the asset count. The [federal government](#) sets the family asset limit at \$1 million, and 48 other states implement at this level.
- A number of parents who are doing everything right- working, budgeting, and contributing, will lose support just for owning a home. Fewer families qualifying means more children without stable, affordable care.

#### **3. It undermines small businesses and local economies.**

- The bill sunsets the Idaho Child Care Program on July 1, 2028. If the Idaho Legislature does not take action to extend the program in the next two years, the child care subsidy program will end.

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<sup>1</sup> Note that in August 2024, Director Alex Adams reduced Idaho Child Care Program family income eligibility threshold to 130% of the federal poverty level for new enrollees, and the Idaho Department of Health & Welfare is still implementing this eligibility standard today (see [this 2024 post](#) for more details).

- Child care providers are small businesses that create jobs and keep local economies strong, and they operate on razor thin margins. The sunset creates instability by threatening the long-term future of the ICCP.
- When fewer families can afford care due to a reduction in eligibility standards, demand drops— and fewer providers are needed. That means child care businesses will close across Idaho, eliminating jobs and reducing options for families.
- Rural communities, already facing limited options, will be hit hardest.
- Strong child care systems support a strong workforce and thriving communities.

## Why This Bill Is Unnecessary

### 1. The program is working.

- The Idaho Child Care Program is currently functioning and supporting families and employers.
- There is no demonstrated need for a full rewrite of the subsidy program.
- With child care slots already going unfilled across the state due to cost and businesses closing due to low participation, this top-down rewrite will further disrupt an already fragile infrastructure.

### 2. Major changes already happened recently.

- The program has undergone multiple updates over the past two years, including licensing overhauls and eligibility reductions.
- Providers and families are still adjusting to these significant changes, and more disruption now creates confusion and instability for an infrastructure tied to the health of Idaho's economy.

### 3. Strong oversight is already in place

- Fraud prevention efforts are already underway in Idaho, and they are effective. A full audit of providers was conducted in recent months with review outcomes [posted here](#).
- This bill goes far beyond addressing fraud—it punishes families and providers instead.

## What This Means for Idaho Families

- Because of stricter income and asset cap eligibility standards, fewer parents will qualify for the Idaho Child Care Program. More parents will be forced to leave jobs or reduce hours to stay home with children.
- Child care providers, already operating on razor-thin margins, will see fewer families with Idaho Children Care Program subsidies and will likely be driven to close, reducing options for families.
- Businesses will struggle to retain workers due to child care gaps.
- Children will lose access to safe, reliable care environments.

- Many foster families rely on ICCP for their foster children. If foster families lose access to stable child care, fewer families will step forward to foster, and placements will become harder to find. Children will stay in crisis situations longer and experience more disruption.
- The overall economy takes a hit when working families can't participate fully.

## **Bottom Line**

Child care assistance works best when families can understand the rules, retain eligibility while their earnings fluctuate, and count on stable care arrangements. Providers need clear standards and predictable reimbursements. This new bill creates sweeping changes without justification, reduces access for working families, and destabilizes Idaho's already fragile child care system. When families lose access to affordable care, providers lose their businesses—and communities across Idaho lose critical services, jobs, and economic stability. Idaho families, providers, and local economies need stability and support, not unnecessary disruption and destabilizing policy changes.