



Testimony before the House Ways and Means Committee

In Support of SB 4

February 4, 2026

Hello Chairman Thompson, and members of the committee.

My name is Olivia Smith and I am a policy analyst with the Indiana Community Action Poverty Institute.

I am here today to support the provisions in SB4 expanding the eligible uses of the Financial Responsibility and Opportunity Growth Fund established in our current biennial budget.

Through our community-needs-driven research, we've found that one basic need that increasingly jeopardizes financial security for many households is child care. We recently launched our 2026 needs assessments, and while we anticipate hearing from several thousand Hoosiers before the process is completed, so far more than half of respondents with children have identified cost as being their biggest barrier to getting the child care that their family needs.

The language in SB 4 provides a budget-neutral approach to support providers and families by allowing an existing \$300M set aside in the budget to be used for funding CCDF, which we feel is a significant positive step to alleviating the escalating child care crisis across our state.

However, in order to reduce red tape and provide clear direction to our state administrators, we would request that the bill be amended to DIRECT the FSSA to request that those dollars be used for CCDF instead of simply making it an allowable use. We feel that clearly stating that intent will help streamline the process and ensure that these tax dollars actually end up supporting our state's child care infrastructure.