

February 14, 2025

Senator Chris Kolker, Chair
Senator Janice Marchman, Vice Chair
Colorado Senate Education Committee

RE: Small Business Majority's opposition to SB25-119

Thank you, Chair Kolker and members of the Committee:

My name is Hunter Nelson and I'm the Colorado Director for Small Business Majority, a small business organization with a mission to empower America's diverse entrepreneurs to build a thriving and equitable economy. I'm pleased to provide written testimony in opposition to Senate Bill 25-119, legislation which would repeal the Executive Director of the Department of Early Childhood's rule-making authority and instead grant it to a school district-controlled board. This change would reduce efficiency, disrupt program stability and limit parent and provider input in the rulemaking process.

A lack of accessible and affordable childcare prevents small business owners and their employees from thriving and being able to participate fully in the workforce. Small Business Majority's [research](#) found that a lack of childcare for their own children created an impediment for entrepreneurs to start their business (58%) and grow their business (59%). Additionally, the survey found that due to employees' childcare issues, small businesses have had an employee quit (30%), job candidates turn down an offer (30%) and even had to eventually fire an employee who was routinely absent (16%).

Furthermore, Small Business Majority has [worked](#) to support small childcare providers—[especially home-based providers like Family Child Care Homes](#) (FCCHs)—who are small business owners themselves trying to meet the needs of their communities. We supported the legislation that created the Colorado Department of Early Childhood (CDEC), and we are committed to supporting implementation and execution of CDEC and its programs, including Colorado Universal Preschool (UPK) and the Colorado Child Care Assistance Program (CCCAP).

Therefore, we oppose this legislation as it would repeal the Executive Director's rulemaking authority, potentially threatening the efficiency, responsiveness and stakeholder-driven approach that has allowed CDEC to effectively manage its programs. There are already two independent evaluations occurring evaluating the effectiveness of CDEC's current procedures. As a result, repealing the Executive Director's rulemaking authority without data to support this decision could lead to adverse consequences for CDEC and the programs—including UPK and CCCAP—that it administers.

The bill also strips families of UPK options and silences childcare provider voices by removing Local Coordinating Organizations (LCOs) participation in UPK, which is an important resource that ensures mixed delivery. The mixed delivery system supports the participation of FCCHs in UPK, which supports greater childcare options for families while also supporting the bottom line of small childcare businesses. Weakening the mixed-delivery system also weakens support for our small home-based childcare businesses who are providing critical care to communities across Colorado.

We ask that the committee vote "no" on this bill so that unintended consequences—including reduced childcare options for small business owners and their employees and harm to small home-based childcare businesses—do not further limit access to affordable childcare.

Sincerely,

Hunter Nelson
Colorado Director
Small Business Majority