

STATEMENT FOR THE RECORD BEFORE THE COLORADO HOUSE HEALTH AND HUMAN SERVICES COMMITTEE ON HB 24-1223: IMPROVED ACCESS TO THE CHILD CARE ASSISTANCE PROGRAM

March 12, 2024 Lindsey Vigoda, Colorado Director Small Business Majority

Thank you, Chairwoman Amabile and members of the Committee:

My name is Lindsey Vigoda 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 testify in support of House Bill 24-1223, legislation that would strengthen and streamline the eligibility process for the Colorado Child Care Assistance Program (CCCAP). Changes to this program are expected to reduce administrative burdens for working families and local communities, and stabilize the childcare industry in Colorado, which will spur entrepreneurship and economic progress.

Access to affordable and accessible childcare services are essential to the entrepreneurial ecosystem – we must have a robust childcare infrastructure to create and maintain a diverse entrepreneurship community. In fact, while many childcare providers are small businesses, many more are employer firms whose workforce need access to childcare for their families. However, childcare has steadily become inaccessible and unaffordable in our state, putting <u>Colorado among the top 5 least affordable states</u> for center-based toddler care, and within the top 10 for least affordable states for other types of care, including family home-based infant care. What's more, <u>Small Business Majority's research</u> found 1 in 3 small employers report that their employees' families and childcare issues have affected their job performance or productivity.

This lack of efficient, stable and affordable childcare in Colorado has incredible economic implications that affect our small business community. Small business employers, even those without young children, bear the burden of our insufficient childcare system. According to a recent ReadyNation_report, employers lose \$23 billion annually due to their workforce's challenges with childcare. Overall, 85% of primary caregivers said problems with their childcare has hurt their work productivity or time commitments, which no doubt puts a strain on our already struggling small business employers.

What's more, rural communities in Colorado are suffering from childcare deserts, leaving working families with limited options and making it even harder to return to work. This lack of childcare options creates a significant barrier to economic opportunities in these communities, impeding small businesses' ability to start and grow due to the lack of labor workforce.

This is why Small Business Majority is proud to support House Bill 24-1223. This legislation will strengthen and streamline CCCAP, helping keep childcare programs open, lessening the burden on home-based providers to become licensed, and establishing a uniform statewide application process.

As state legislators, it is imperative for you to prioritize childcare in all its forms. Improving access to CCCAP is a first critical step in supporting our small businesses and working families, so we urge you to pass HB 24-1223.

Sincerely,

Lindsey Vigoda Colorado Director Small Business Majority