



**STATEMENT FOR THE RECORD BEFORE THE COLORADO HOUSE FINANCE
COMMITTEE ON HB 24-1312: STATE INCOME TAX CREDIT FOR
CAREWORKERS**

April 1, 2024
Lindsey Vigoda, Colorado Director
Small Business Majority

Thank you, Chairman Snyder 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 provide testimony in support of House Bill 24-1312, legislation concerning a state income tax credit for individuals in the care community, many of whom are small business owners and key to our economic success.

Both early childhood care providers and direct caregivers play an important role in supporting labor force participation at small businesses and are also small business owners themselves. As you know, the COVID-19 pandemic underscored how essential care workers are to our families, communities and entrepreneurial ecosystem. But this industry is increasingly becoming more unaffordable and inaccessible for Coloradans, wreaking havoc on businesses and working families. In fact, a forthcoming Small Business Majority opinion poll shows that childcare issues are forcing most small business owners to take substantial time away from their businesses, while a number of them are losing out on business opportunities. Similarly, the opinion poll reveals that most small business owners report employee absenteeism due to their employees' childcare issues.

Stable and affordable care services in Colorado have incredible economic implications for our state's job creators, and they desperately need support from state lawmakers to help them overcome these challenges. What's more, we can't deny the dire state of our care industry, which is largely overutilized but undervalued and underfunded. According to the [Bell Policy Center](#), 41% of Colorado's direct caregivers rely on public assistance, such as cash and food assistance to make ends meet. This is because the median hourly wage for direct caregivers and early childhood educators hovers around just \$16, while the state's housing wages are closer to \$29, making it unfeasible for them to afford housing and living expenses for themselves and their families. Simply put, this sector is becoming increasingly inaccessible to participate in, which in turn greatly affects our entrepreneurial system. If we want to continue to see any boost in small business ownership, we must find ways to revitalize the care economy.

House Bill 24-1312 is a well-needed reprieve and an important step in complementing the wages of the underfunded industry of caregivers. We urge you to pass this legislation to support our state's caregivers, which will in turn support small businesses and their workforce, boosting our economic success and prosperity.

Sincerely,

Lindsey Vigoda
Colorado Director
Small Business Majority