

**STATEMENT FOR THE RECORD
BEFORE THE TEXAS SENATE COMMITTEE ON FINANCE**

CSHB500 CHILDCARE INVESTMENTS

May 22, 2025

**Awesta Sarkash
Senior Public Policy Director, Small Business Majority**

Dear Chair Huffman, Vice Chair Hinojosa, and Members of the Committee:

As a representative of Texan small businesses, Small Business Majority writes today support of the \$100 million childcare investment for a biennial budget and supplemental budget bill that will prioritize access to affordable childcare that will strengthen the small business community.

The growing lack of access to affordable and quality childcare not only impacts many Texas families; it also hinders small businesses' ability to thrive and compete in the economy. In a recent [national poll](#) conducted by Small Business Majority, nearly 60% of small business owners agree that a lack of access to affordable, high-quality childcare for their own children created an impediment for them to start and grow their business. When asked how their own childcare issues impact their ability to run their business, business owners reported that it forced them to take substantial time away from the business (56%), lose out on business opportunities (39%) and hire additional help (28%).

Furthermore, small business owners need to have certainty that their employees can access childcare services so they can fully contribute to the day-to-day operations of the business. This is especially critical for Texas' over [425,000](#) microbusinesses that may only employ one or two employees in addition to the owner. If the employee frequently misses work due to childcare issues, the business's productivity can decline significantly, ultimately affecting the business's bottom line.

That is why we urge you to support the full \$100 million childcare investment in HB 500. This allocation would enable the Texas Workforce Commission to provide approximately 10,000 more scholarships to children of working parents. The most recent state data show that 95,000 eligible children are on the waiting list for the program due to a lack of available state funding. By making this investment, thousands more Texas parents will be able to go to work, and thousands more Texas children will receive an enriching early childhood education.

We appreciate your dedication to this cause and to the small businesses across the state who struggle to access affordable childcare. We urge you to support the \$100 million in HB 500 to ensure small business owners can effectively run their business while their children receive the care they need.

Sincerely,

Awesta Sarkash
Senior Public Policy Director
Small Business Majority