



April 9, 2019

Dear Senate Finance and Senate Appropriations Committee:

On behalf of Good Business Colorado, I would like to encourage support for several bills focused on improving access to and affordability of early childhood education (ECE). Individually, these bills will have a strong impact on Colorado families and small businesses, and will help our member businesses grow more successfully. Taken together, these bills will form the backbone of a "Middle Class Tax Cut" that is more targeted and will better stimulate the economy, provide relief for middle class families and support small businesses than what Governor Polis is currently proposing.

Good Business Colorado (GBC) is a nonpartisan business membership organization with the mission of being the business voice for a strong, thriving and sustainable Colorado. In under a year and a half, we have grown to over 120 dues paying members across the political spectrum, representing a wide range of industries, and collectively employing thousands of workers.

Representing a bipartisan membership, we are selective of the bills we endorse, supporting only policies that provide an obvious benefit to our business members and the Colorado economy. Expanded access to affordable and accessible early childhood education is a priority of GBC because the impact of Colorado workers leaving the labor force due to child care expenses is immense. According to Kids Count from the Colorado Children's Campaign, "in 2016, 11 percent of Colorado kids ages 1 through 8 had parents who reported having to quit a job, not take a job, or greatly change their job because of problems with child care" (Kids Count, Pg. 47). Our member businesses experience this every day, with finding qualified employees consistently rated as one of their most significant challenges.

Good Business Colorado members voted to endorse the following bills related to early childhood education:

- SB19-063: Infant and Family Child Care Action Plan – By decreasing unnecessary regulations, this bill will lead to the creation of small businesses which will provide affordable child care options for parents.
- HB19-1005: Income Tax Credit For Early Childhood Educators – By rewarding early childhood educators for remaining in the field and increasing their credential level, more ECE educators stay in the workforce, increasing access to ECE. Results from Nebraska and Louisiana demonstrate this credit will have an out-sized impact on educator retention and ECE access relative to its cost.
- HB19-1164: Child Tax Credit – On the Federal level, the Child Tax Credit is a proven, targeted way to reduce childhood poverty and put money back into the pockets of families. Augmenting the Federal program in Colorado would make sure that the children of today are poised to thrive as the state's future workforce, ultimately benefiting Colorado small businesses. Good Business Colorado worked with our coalition partners to reduce the fiscal note of this legislation and delay its implementation, lessening its budgetary impact.
- HB19-1013: Child Care Expenses Tax Credit Low-Income Families – A tax credit eases the cost burden that low income families pay for child care expenses and makes workforce reentry more cost effective. The tax credit should be made permanent.

Taken together, these bills represent a strategic foundation for making early childhood education affordable and accessible to every Colorado parent, benefiting individual families, growing Colorado's labor force, strengthening our economy and improving the overall business environment of our state. When Colorado families have more money to spend, small businesses, including our members, will be some of the biggest beneficiaries. Accordingly, we urge you vote yes on this slate of bills and support Colorado families and businesses.

Sincerely,

*Nathan Stern*

Nathan Stern

Member, Good Business Colorado