



DATE: April 30, 2026

TO: Senate Finance Committee Members

FROM: Alethea Gomez, Colorado Executive Director, EPIC

Dear Committee Members,

Executives Partnering to Invest in Children (EPIC) is the Colorado business community's voice for early childhood care and education. Our membership of over 70 business executives believes that what's good for children is good for business and significantly impacts the economic growth and well-being of Colorado.

I am writing to share our support for SB 26-180. This bill represents an unprecedented and unique opportunity to expand funding for child care in Colorado. This is a promising way to create a new mechanism that would transform Colorado's child care system and the funding it requires.

The child care industry is severely constrained, with the cost to provide care far exceeding what many families can afford and the cost to build or expand new child care facilities being out of reach for providers. This has created a significant shortage of licensed child care in Colorado, costing Colorado's economy over \$2.7 billion annually ([Ready Nation, 2024](#)).

The Investment Performance Authority created in SB26-180 will allow the state to generate new revenue for child care through an investment vehicle. It also allows the Authority to accept gifts, grants, and donations.

It is critical that this Authority has as many tools as possible to generate revenue for child care, and we'd like to request that one be considered in a future amendment to the bill. The Child Care Contribution Tax Credit (CCTC) provides donors to eligible child care organizations with a 50% tax credit for their contributions. We would like to see language in the bill that ensures the Authority could be an eligible recipient for the CCTC. This would create a significant incentive for donating to the fund, creating an important additional source of funding for the Authority.

Again, we see this bill as an exciting opportunity to expand access to child care for families in Colorado and ask for your yes vote on this bill today. Please reach out anytime with questions.

Respectfully,

Alethea Gomez



Colorado Association of Family Child Care (CAFCC)

"Moving Mountains One Stone at a Time"

April 30, 2026

The Colorado Association of Family Child Care (CAFCC) [Colorado Association of Family Child Care](#) (CAFCC), would like to submit the following as written testimony in support of [SB26-180, the Investment Performance Authority](#). This piece of legislation is important to the financial well-being of child care programs and families alike.

SB26-180 offers a forward-thinking, sustainable solution. By establishing a special purpose authority that uses investment returns to create a dedicated, ongoing funding stream for child care, this bill prioritizes long-term stability over short-term fixes. It directs funding to the families who need it most and ensures that resources are maximized for direct services.

Colorado is one of the most expensive states in the nation to operate a licensed family child care home, while at the same time families with infants and toddlers are paying nearly \$20,000 per year for center based care. Despite these high costs for families, FCCH providers are struggling to stay open. Today, there are fewer than 1,400 licensed family child care. Our program numbers are at a critically low number. Since 2019, there have been almost 400 programs who closed their doors.

At the same time, the current budget crisis and the pause on CCCAP enrollment in many counties have created an unsustainable situation for providers who serve low-income families. When providers cannot enroll new CCCAP families, they lose critical revenue. This has already forced many family child care homes to close their doors, and without immediate action, more will follow.

Child care is not just a family issue, it is an economic issue. Without access to affordable, reliable care, parents cannot work, businesses cannot operate at full capacity, and our state loses billions in economic productivity. In fact, access to child care is directly tied to workforce participation and long-term economic growth.

Investing in child care is one of the smartest decisions Colorado can make. Every dollar invested supports children's development, strengthens families, sustains small businesses like mine, and fuels our broader economy. Licensed FCCHs are a critical piece of the solution. We offer flexible, community-based care that supports nontraditional work hours, rural communities, and infants and toddlers, yet we are disappearing at an alarming rate.

We urge you to support SB26-180 and take a meaningful step toward stabilizing and strengthening Colorado's child care system. Thank you for your time and your commitment to Colorado's children, families, and workforce.

Sincerely,

Stacey Carpenter, CAFCC president and legislative co-chair

Carrie Kennedy, CAFCC public relations and legislative co-chair

April 30, 2026

Dear Members of the Senate Finance Committee,

My name is Pamela Harris, and I'm President & CEO of Mile High Early Learning, the largest provider of subsidized quality child care in Denver. We serve over 400 children ages 6 weeks to 5 years in our child care centers and 180 children through child care partner sites.

I am writing in support of Senate Bill 26-180. I urge you to vote yes.

This novel legislation establishes a special purpose authority (SPA) allowing specific government entities, including government owned businesses called enterprises to invest unencumbered funds in higher-yield investment vehicles than they have access to today.

The SPA will then direct a portion of that increased investment return to support low income child care assistance, administered by counties.

I thank the bi-partisan team of sponsors for their commitment to finding state funding for child care, particularly in this difficult state budget environment. My colleagues from other child care organizations applaud their creativity and persistence to bring forward this proposal this session. We know a tremendous amount of work went into this and we're pleased to support it.

As has been well documented, child care is woefully underfunded in Colorado. Families rely on child care that is provided year-round and more than 10 hours per day in order to go to work. To be direct about it, state investment in child care has simply not been a priority for Colorado – and Colorado children and families are suffering as a result.

The underfunding crisis in child care is most evident in the fact that there are currently enrollment waitlists and freezes in place for the Colorado Child Care Assistance Program (CCCAP) in 27 of Colorado's 64 counties. Mile High Early Learning is the largest provider for families accessing CCCAP in Denver County. Our families have been significantly impacted by the CCCAP freeze. 95% of our families live at or below poverty while two-thirds are working and another 15% are going to school.

Since the freeze in January 2025, Mile High Early Learning is now serving 40 fewer children—primarily infants and toddlers. We have closed two of our early learning centers in high need communities. We anticipate losing close to \$1 million in revenue by the end of this year.

This measure offers some hopeful progress in the form of an innovative new investment structure, essentially the bill creates the vehicle through which child care funding could be generated. Because there are several conditions that need to be met before new investments could flow to counties and then on to benefit kids and families, it will likely be at least 18 to 24 months before any funds flow to counties. The conditions include:

- SB26-180, which was introduced with less than 15 days left in session, needs to pass both chambers of the General Assembly;
- The SPA needs to be established and staffed as well as community members appointed;
- State entities need to be convinced to invest their unencumbered cash funds with this new SPA;

- An investment entity needs to be identified, investment strategy needs developed and deployed, and time must be given for returns to generate;
- A reserve fund must be established and funded;
- The process and mechanisms for distribution need to be created and set up.

But this is the most realistic opportunity we have to generate dedicated state funds for child care, so I'm in support of it.

At the same time, I want to be clear that we have a child care crisis happening now. More than 13,500 children who are eligible for CCCAP are not getting the care they need or deserve because we are not investing it in.

SB26-180 does not solve that crisis today – and, frankly, its long term prospects are optimistic but unknown.

So, please Vote YES on SB26-180 and know that this is a promising step which could make a meaningful impact, but it is ***not*** a comprehensive or timely solution to Colorado's child care crisis.

I, along with other early childhood stakeholders, local and federal policy partners that support Colorado children, families, and child care providers, stand ready and willing to partner with you to ensure that our children thrive.

Sincerely,

Pamela Harris, PhD
President & CEO
Mile High Early Learning

Mr. Chair and members of the Senate Finance Committee, thank you for the opportunity to submit testimony in support of SB 180, Investments in Performance Authority.

My name is Ana Bustamante, and I serve as the Colorado State Manager for Save the Children Action Network (SCAN). As the political advocacy arm of Save the Children, we build bipartisan support to ensure every child has a strong start in life.

We at SCAN support this bill because it generates new revenue to help ensure families can access the high-quality child care they deserve. This is a historical piece of legislation that creates a new mechanism for generating revenue to create a permanent fund for child care access in the state of Colorado, rather than continuing to rely on a temporary solution. In a world where federal funding has become unreliable, state dollars are more important than ever for ensuring Colorado's kids have the best start in life.

Colorado is facing a child care crisis, and we need to act now. Many families face challenges in finding affordable child care. Colorado ranks 5th in the country for the most expensive infant care. In 2022, child care expenses ranged from 10 to over 30 percent of median household income, depending on the setting of care, the ages of the children being cared for, and the quality of care. Even if they can afford it, many families cannot find care for their children. In 60 of Colorado's 64 counties, there aren't enough licensed slots to accommodate the number of kids younger than 6.

By investing in child care we are supporting working families. Every year, Colorado loses \$3.8 billion in tax revenue from parents (especially mothers) who cannot work because they lack child care; this translates to 29,000 jobs. Investing in high-quality child care reduces long-term dependency on benefits, improves child outcomes, decreases child welfare involvement, and increases workforce participation and productivity.

Please vote yes to help us set our children up for a successful future and a healthy life.

Thank you,

Ana Bustamante,

CO State Manager,

Save the Children Action Network

Senate Finance

04/30/2026

SB26-180 Investment Performance Authority

Typed Text of Testimony Submitted

Name, Position, Representing	Typed Text of Testimony
Evie Hudak For Colorado PTA	<p>Colorado PTA supports Senate Bill 26-180. One of the highest priorities for PTA at both the state and national levels is legislation that improves the development of our nation’s earliest learners. We are committed to providing all children with equitable educational opportunities, especially from birth through age 5, which are the most important years for a child’s development. Quality child care is a key factor in children’s future educational and employment success.</p> <p>Furthermore, parents are more productive at work when they know their children are in a safe, supervised environment. We know there is a crisis in Colorado in terms of availability of quality child care, especially because Colorado is one of the most expensive states for child care. Low-income families are especially challenged in finding care.</p> <p>This bill provides an innovative approach to improving funding during a time when our state budget cannot adequately cover the costs of child care assistance. It is vital because it will allow more families with the ability to work and access quality child care – improving the lives of many families and their children and thereby improving the economy and social well-being of everyone in Colorado.</p>



Statement on responsible investment of Colorado's Family and Medical Leave Insurance

Michele Evermore, Senior Fellow

April 30, 2026

Pending legislation that would loosen standards around prudent investment of Colorado's FAML I could devastate the plan and families when they need the program the most. Similar programs and plans are subject to strict investment guidelines for good reason; when a person is promised a benefit when they are in need, those promises must be kept.

Unemployment Insurance, for example, is required to be invested in secure Treasury funds which promise a low rate of return. Part of the logic behind this is that at the same time that mass layoffs are likely to occur, it will also likely happen when markets are dropping and it is not an opportune time to sell. Likewise, Social Security is also invested in Treasury bonds. Surely on the heels of a global pandemic, it makes sense to apply some level of that thinking to FAML I, which includes medical and military leave, both of which may be positively correlated with equity market returns

Private plans that provide short term financial assistance in the case of illness or disability are subject to the Employee Retirement Income Security Act (ERISA) of 1974. Employers who offer equivalent coverage to FAML I benefits are subject to those rules. [ERISA's investment duties](#) require that fiduciaries act "solely in the interest of participants and beneficiaries" including "by diversifying the investments of the plan so as to minimize the risk of large losses." Scores of [rules and regulations](#) and judicial opinions over the law's fifty-year history, as well as the hundreds of years of preceding trust law, have clarified those standards and it is unlikely that hasty action by the legislature on investment policy will equal the protections laid out under this law.

In the case of a state-run trust, taxpayers ought to expect investment policy to exceed even the standards set forth for private employers because citizens have been promised a benefit through the democratic process by their government. This has implications beyond the state of Colorado because if one public paid family leave program undergoes a funding crisis due to imprudent investment, all momentum to make progress on this issue will be halted. Poor investing could lead to underfunding during an economic downturn which in turn adds to the cost for workers and employers when they can least afford it, and when the state needs all the resources it can to withstand economic stressors.

Colorado faces significant risk by loosening investment standards for this critical program. On April 29, the Federal Open Markets Committee (FOMC) voted to maintain interest rates citing weakness in job gains, unemployment changing little but still increasing, and elevating inflation due in large part to global energy costs. An economic downturn is never an if, but a when. Now is not the time for experimental investment policy of public trust funds. Instead, the state should establish an independent investment advisory council or commission that will put stewardship of the public trust at the center of its approach.

To: Senate Finance Committee
From: Khatira Amn, Senior Policy Advocate for Early
Childhood, Spring Institute for Intercultural Learning
Date: April 30, 2026



Members of the Committee,

My name is Khatira Amn, and I am the Senior Policy Advocate for Early Childhood at Spring Institute for Intercultural Learning. In this role, I work to expand access to early childhood programs for linguistically and culturally diverse families across Colorado.

Spring Institute is a nationally recognized organization dedicated to building a thriving intercultural community through language access, education, and advocacy. Each year, we support more than 1,000 Coloradans through early childhood and adult education, system navigation, and workforce readiness services. Spring Institute strongly supports SB26-180.

I see every day through my work that access to child care is a major concern and challenge for all families, including linguistically diverse families. Even when families are eligible, they often face barriers to affordability and availability. These challenges limit opportunities not only for children, but for entire families striving for stability and economic mobility.

Early childhood is a critical period in development that shapes a child's future education and life outcomes. The earliest years are when brain architecture is formed, and the quality of those early experiences has lasting impacts—either setting children up for success or placing them at a disadvantage from the start. Yet, our youngest children are the most likely to live in poverty, experience homelessness, face achievement gaps, and are the least likely to have access to high-quality child care.

SB26-180 provides a meaningful solution by creating a sustainable, long-term funding mechanism to expand access to child care. By establishing a Special Purpose Authority that uses investment returns to fund care, this bill creates a permanent pathway to support families, especially those with the greatest need, while ensuring that resources are directed to services rather than administration.

Access to affordable, reliable child care is essential for working families and for a strong economy. When families can access care, parents are better able to work, children benefit from high-quality early learning, and communities are stronger.

Colorado has an opportunity to make a smart, long-term investment in its children and its future. I respectfully urge you to vote yes on SB26-180. Thank you for your time and consideration.

Submitted April 30, 2026.

Testimony on Bill #SB26-180 Investment Performance Authority

on April 30 2026, at Upon Adjournment in front of the Senate Finance Committee

From: Ealasha Vaughner

Submitted on: April 30, 2026.

Testimony in support of #SB26-180 Investment Performance Authority

Submitted to: Senate Finance Committee

Dear Madam Chair and Members of the Committee,

My name is Ealasha Vaughner, and I am the Manager of Policy & Advocacy at Clayton Early Learning. I am honored to submit this testimony on behalf of myself, Clayton's parents, and the broader community we serve in support of SB26-180.

At Clayton Early Learning, we serve over 500 families each year through a whole child, whole family approach. We work alongside families who are navigating complex systems while doing everything they can to provide stability and opportunity for their children. Access to affordable, reliable child care is one of the most critical supports for these families, and one of the biggest barriers they face.

Every day, I hear directly from parents about the realities they are facing. Childcare in Colorado is simply out of reach. Families are paying nearly \$20,000 a year for infant care, if they can even find an open spot. Many are stuck on long waitlists, living in childcare deserts, and forced to make impossible decisions between going to work or staying home with their children.

I've seen how this impacts not just families, but entire communities. Parents are leaving the workforce, employers are struggling, and our economy is feeling the effects. Most importantly, children are missing out on critical early learning opportunities that set the foundation for their future.

At Clayton, I also get to see what's possible when we invest in childcare. I see children thriving, families becoming more stable, and parents able to pursue work, education, and their goals.

While we support SB26-180 as an important step toward addressing Colorado's childcare crisis, we also want to be clear that this progress should not come at the expense of other essential supports. Programs like FAMLI are critical lifelines for families, educators, and staff, providing the stability people need to care for themselves and their loved ones without losing income or employment.

For that reason, we respectfully urge the committee to ensure that the FAMLI program is excluded from this bill's funding approach and protected as you move this policy forward. Families should not have to choose between access to childcare and paid family and medical leave; both are essential and must be preserved.

We believe there is a path forward that advances childcare affordability while maintaining the integrity of other vital supports. Thoughtful, balanced solutions will have the greatest impact for families, providers, and our workforce.

Colorado families need action. They need solutions that make childcare affordable and accessible, not just for some, but for all, while protecting the systems that already support their stability.

I urge you to move forward with SB26-180 with these considerations in mind. Thank you for your time and for your commitment to Colorado families.

Sincerely,

Ealasha Vaughner
Manager of Policy & Advocacy
Clayton Early Learning