



Testimony to House Appropriations Committee

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Submitted by:

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At the Alchemist, we pride ourselves on being a socially-conscious, family-friendly employer. We support our employees in many ways, including negotiating directly with a local child care program to hold space for our employees' children, and then helping to offset our employees' monthly child care tuition. We do this because we directly benefit: our employees are more productive and our turnover is reduced when they are able to provide for their children's care.

While we are able to help make child care more accessible and more affordable for our employees, I know that many employers simply aren't in a position to do so. Too many of our local businesses are losing qualified employees because of the lack of affordable child care.

This affordability challenge forces new parents to make tough choices: They must weigh having a job at all against the reality that the majority of their earnings will be spent on child care. If they take on extra work to pay for child care, they may miss out on time with their family. Or, they may choose to leave their jobs to stay home with their children, and lose out on the income and the career advancement. When they do return to the workforce, they will have lost skills and earnings potential. These are lousy choices. Families and business should not be in competition, but right now, both sides are losing.

We recently expanded into Lamoille County. In this part of Vermont, 59% of infants who are likely to need care don't have access to ANY regulated program. If an employee has a baby, the chance of their returning to work is only about 41%, because they simply can't find care for their child. Employers are losing trained, effective and loyal workers because they cannot find or afford care for their children, and we are losing skilled workers from our state's workforce.

If we hope to grow Vermont's economy and have thriving businesses and families, we need to rethink the way we as a state support our workforce. At a bare minimum, we need to bring the Child Care Financial Assistance Program (CCFAP) rates in line with market rates. If we hope to encourage high-quality child care programs to expand to serve our workforce, we need to ensure that they are paid adequately for that work. While the investment of \$9.4 million will take only a small step toward that goal, we must take that step. Vermont's families and our economy can't afford to wait.