

To: Senate Committee on Economic Development, Housing, and General Affairs
From: Sarah Costa

In Gov. Phil Scott's recent State of the State and budget address, he drew attention to the alarming challenges Vermont is facing as the second oldest state in the nation. He issued an urgent call to action to increase the working-age population of our state, placing particular emphasis on recruiting families and graduating students to live and work here. Later this year, Gov. Scott may have the opportunity to address this very issue and demonstrate Vermont's commitment to welcoming young professionals who wish to live, work and raise families in our wonderful state.

H.196, the family and medical leave insurance bill, passed the House in 2017 and will soon be taken up in the Senate. This bill would create an insurance program that would provide weeks of paid family and medical leave for workers to care for a new child or ailing loved one — funded through a small employee payroll deduction with an option for employers to contribute.

When my son was born, he surprised us all by spending five days in intensive care. Working during that time was out of the question as our family came together to support him and one another through the crisis. The unpaid time I took quickly devoured what we thought had been a respectable safety net of savings.

We'd made it through the first challenge Vermont parents face — bonding with a new baby while balancing a significant loss of income at one of the most expensive and stressful times in anyone's life — only to then face the second challenge for all new Vermont parents: finding child care.

Eighty-five percent of infants who are likely to need care don't have access to high-quality programs, and 61 percent don't have access to regulated programs. In Washington County, where we live, those numbers are even higher. Despite more than six months of searching, we had yet to find child care by the time my leave ended, forcing my husband to leave his job to care for our son while I worked and we continued our search. We are not alone in that challenge. Faced with the impossibility of finding any care at all, let alone affordable and safe care, working Vermont parents must make the wrenching choice of either leaving the state or leaving the workforce.

I now have the honor of directing a small nonprofit in Barre that employs 13 people. Small business owners and nonprofit leaders like me understand the challenges of providing benefits that help us attract and retain the qualified workers we need. If Vermont is serious about recruiting and keeping working families, it must do better.

In a small business state like Vermont — where 96 percent of businesses have fewer than 50 employees — a statewide family and medical leave insurance program would be crucial to the success and stability of working Vermonters and the business community. Small businesses would benefit significantly from a statewide paid family and medical leave insurance program

that would support one of the benefits young professionals need most, but which is challenging for any small employer to provide on its own.

If the paid family and medical leave insurance bill passes, it would do much to relieve pressure on working parents and on the overstretched infant care network in the state. This program would provide relief not only to the young professional demographic Vermont hopes to recruit, but also to everyone in the state caring for ailing parents or spouses, another demographic necessity in our aging state. It would even have the hidden benefit of providing much-needed support to Vermont's foster care system by removing one of the economic barriers to becoming a foster parent.

This program would do much to demonstrate that Vermont is indeed a great place to live, work and raise a family. Right now, for too many in our state, it is impossible to do all three of those things at once.

My employees need it, the people I hope to hire in the future need it, Vermont's small employers need it, the more than 70 percent of young children in our state who have all available parents in the labor force need it, and our great state needs it if we hope to attract, retain and support a strong working age population.