



Green Mountain Economic Development Corporation

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February 26, 2020

Representative Michael J Marcotte, Chair
House Committee on Commerce and Economic Development
Vermont House of Representatives
Vermont Statehouse
115 State Street, Montpelier, Vermont 05633

Dear Chairman Marcotte,

At the end of my testimony on February 14th about Child Care and Early Education, you asked to rank its relative importance in the eyes of the RDCs compared to other initiatives and programs you are asked to support. I believe I answered that I personally feel it is critically important, but I did not want to speak for my colleague RDC Executive Directors, without first discussing it with them. We had a frank conversation last week and I offer the following for your committee's consideration.

The RDCs of Vermont agree the State should thoughtfully plan to make investments to address the childcare crisis in Vermont, including the study of the existing K-12 infrastructure's capacity to address this issue. Vermont could ensure that all children have affordable access to high quality care. Beyond the social and educational reasons, it would have important economic benefits. Moreover, it would open the floodgates by allowing a significant number of parents to return to the workforce, especially low and moderate income families and those with two or more children in this age group. An effective program would require significant economic support of course, but we predict the impact would be immediate and meaningful. The current estimate is there are 35,000 children five years old or younger in the state, with 25,000 in the group we're discussing; obviously a large task.

Next, a properly designed program would help raise the ECE workforce out of poverty wages. Although it is a uniquely important employment sector, it is severely undervalued financially. The benefits of high-quality early care and education are clear, but we cannot build the system unless we create a meaningful career path for the workers in the system. Doing so would put Vermont in a strategically important place compared to other states, would help retain young families, and recruit new ones.

This is a critical economic development priority, admittedly among many others, but we feel investments like this should be additive – not made at the expense of other sectors or initiatives. While there are some economic development programs individual RDCs might prefer over others, it varies geographically and there are few if any programs we would recommend be discontinued.

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Finally, a growing number of business leaders are prepared to advocate for new revenue in certain cases, and the Early Care and Education system is one of them. Having said that, it shouldn't be borne by the business community, any more than our public schools should be their obligation alone. Obviously, more study and economic modeling are necessary to accurately determine the costs, impact and timelines involved, but we recommend the process begin in earnest. Again, we do not want to cannibalize other initiatives or projects (e.g. affordable housing, VEGI, VOREC, workforce training for Adv. Manufacturers, etc.) needed for Vermont to successfully address our economic and demographic challenges, but this subject needs attention and discussion, as well as new funding.

Hopefully this answers your questions and thank you for your consideration.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read 'R. Haynes Jr.', with a stylized flourish at the end.

Robert E Haynes Jr.
GMEDC Executive Director