

IN SUPPORT OF S.56, AN ACT RELATING TO CHILD CARE AND EARLY EDUCATION

Vermont Businesses for Social Responsibility (VBSR) is a statewide, nonprofit business association with a mission to leverage the power of business for positive social and environmental impact. For over 30 years, our organization has promoted the opportunity and responsibility of the business community to set a high standard for protecting our citizens' natural, human, and economic environments.

S.56 is a common-sense business-friendly solution to strengthen our local labor force and set future generations up for success.

VBSR supports S.56 for the following reasons:

Accessing and Affording quality child care is a significant barrier to women in the workforce.

Vermont is in an overall workforce deficit. Accessible and affordable child care resources allow women to participate in the workforce. Childcare offers budget-constrained mothers who stay at home with their children or only work part-time due to caretaking responsibilities the opportunity to increase their ability to work and seek higher-paying employment. A 2022 report by Motherly cited that 46% of mothers who remain unemployed left the workforce in 2021 due to child care issues. By passing S.56, Vermont is taking action to close the gender wage gap and support diverse work environments.

Affordable. Quality child care benefits children, families, and our Vermont economy.

Children with access to high-quality early environments are critical determinants of school readiness, cognitive and social outcomes, and later educational and career success for children living in low-income households. An increase in high school graduation rates and increased adult earnings are directly connected to children's needs getting met early. The existing research suggests expanding early learning initiatives would provide benefits to society of roughly \$8.60 for every \$1 spent, about half of which comes from increased earnings as adults. All evidence shows that investing in our youngest citizens has an immense payoff in the future.

Child care has a direct relationship with the productivity and longevity of employees.

Lack of adequate child care impacts employee attendance and productivity. Therefore, VBSR members view S.56 as providing opportunities for business growth. In a 2021 national panel survey, the Harvard Business Review reports that out of 2,500 working parents, they found that nearly 20% had to leave work or reduce their work hours solely due to a lack of childcare. Only 30% of all working parents had any form of backup childcare, and there were significant disparities between low and high-income households. By granting employees the opportunity to care for their young children and family members in need or take time for themselves should a severe illness strike, employees are more likely to return to work rather than leave their position altogether.

The quality of care is directly related to the quality of the adult in the room.

Investing in our child care workforce ensures that Vermont's children thrive in these early learning and care programs. Low wages and traditionally few benefits lead to high turnover, impacting care quality. Addressing provider wages in S.56 is vital in recruiting and retaining quality professionals.

"It is for our staff, who are the heart and soul of SunCommon. Early childhood education is an investment in Vermont's future, but I'm not talking about just the kids who will benefit. I believe the system as it is structured today doesn't serve our communities, doesn't serve our businesses, and certainly doesn't serve our young families."

James Moore,
Co-President & Founder
SunCommon



"Supporting working families is at the core of our mission. Having affordable, quality child care in Vermont is essential to attract and retain employees who have young families and makes Vermont a more desirable place to work and live."

Christine Dodson,
Co-Founder & CEO
Mamava



"It was easier to open a restaurant than it was to find child care. And every day my restaurant is impacted by the instability of our child care system."

Cara Tobin,
Chef & Owner,
Honey Road

