

For the record, my name is Dimitri Garder, I'm a resident of North Bennington. I am co-founder and former owner of Global-Z International, a tech company located in Bennington. I'm writing to express concern about the Governor's budget proposal to reallocate child care funding to other purposes. While I understand the significant economic challenges that Vermonters are facing, our continued investment in Vermont's child care system is a critical strategy to address our demographic challenges, and these investments will positively impact our state's affordability in the long run.

This year, the payroll tax created by Act 76 is projected to bring in \$19 million more than original estimates. This is an opportunity for us to accelerate the impact of Act 76 by using this funding to lower costs for more families and expand program capacity. To divert child care funds for other purposes not only misses this critical opportunity but also risks undermining the progress we've made since Act 76 passed.

I have a somewhat unique perspective on Vermont's child care system since I view it through a number of different lenses. As an employer, I have personally seen employees struggle with sustaining their careers in the absence of affordable child care. One mom once told me that the only reason she was able to have kids while pursuing her career was because of the significant schedule flexibility that we as an employer offered her. Despite that, challenges with accessing affordable, quality child care nevertheless prevented her from having more children. Parents who don't enjoy the significant flexibility that we offered would be forced to make even more difficult choices, which is not only tragic but also exacerbates Vermont's low birth rates and contributes to our aging workforce.

Through my work as chair of the Vermont Business Roundtable's Early Care and Learning Taskforce, I have also heard many stories from Vermont business leaders on how improving employees' access to child care has helped keep parents in the workforce, and resulted in happier, more successful kids. But not all Vermonters are lucky enough to work for an employer who is able to provide child care benefits. Business leaders across Vermont recognize the need for child care investments to support a healthy workforce, and more importantly to give our kids the best possible chance of success in their lives.

As a board member of the Bennington Early Childhood Center, I see first-hand how challenging it is for child care centers to recruit and retain staff. Act 76 created vital resources, which helped Vermont child care centers support staff and remain open at a time when centers across the country were closing due to the end of federal pandemic relief funding.

The work is not yet completed; while Act 76 took the initial steps to improve the economic viability of our state's child care system, more investment is needed to add additional capacity and continue bringing down costs for families, and to help recruit and retain quality early childhood education staff. The data overwhelmingly demonstrates that the essential component to achieving high-quality learning for young children is to professionalize the field of early childhood education at a level comparable to their peers.

Finally, as a Trustee of the Southwestern Vermont Medical Center, I have a clear understanding of how investment in Vermont kids from the earliest years can have positive downstream impact on their lives, their physical and mental health, and their economic futures. Supporting children and families is essential to establishing a foundation for lifelong health and wellbeing.

Vermont's affordability challenges are real, and they are largely caused by challenging demographics. The most effective way to address these challenges is to make continued investments in critical infrastructure such as child care. This will make Vermont more attractive to young families, will bring more parents into the workforce, and will accelerate the economic success of Vermont's children from their earliest years and throughout their lives. I urge the Legislature to protect and accelerate the funding needed to support and grow Vermont's child care system. Act 76 took important initial steps, but we have more work to do and we cannot afford to go backward.