

Committee on Children JOINT FAVORABLE REPORT

Bill No.: SB-92

AN ACT ESTABLISHING A TAX CREDIT FOR EMPLOYERS THAT MAKE

Title: PAYMENTS TOWARD CHILD CARE COSTS OF EMPLOYEES.

Vote Date: 2/25/2021

Vote Action: Joint Favorable Change of Reference to Finance, Revenue and Bonding

PH Date: 2/18/2021

File No.:

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SPONSORS OF BILL:

Committee on Children
Sen. Saud Anwar, 3rd Dist.
Rep. Christine Palm, 36th Dist.

REASONS FOR BILL:

In order to motivate employers to help their employee's financial needs with their children, this bill aims to provide a tax credit to employers that make payments for the child care costs of employees who reside in the state, meaning that employees who are not able to afford daycare, for instance, have some extra income due to their employers, therefore the state should also replicate the good gesture by providing a tax credit to these employees.

RESPONSE FROM ADMINISTRATION/AGENCY:

No Response from administration/agency to this bill offered

NATURE AND SOURCES OF SUPPORT:

Hartford Foundation for Public Giving: The foundation is in favor of this bill. It is stated that there is a great "misalignment between the skill sets required and the skills of the current workforce" and that the foundation's mission is to provide structure to various communities in order to allow them to succeed. The foundation appreciated the recognition of the vital role child care plays in supporting working families and applauded its efforts to incentivize employers who support child care for their employees.

The foundation brings up the point that many residents most in need of support for child care services work in low paying jobs and their employers are not likely to offer financial support for child care, on that note the foundation encourages the legislature to support an expand access to the state's Care 4 Kids child care subsidy - A program that ensures working parents can access safe, high-quality child care. The foundation also encourages legislators to allocate additional support for home-based family child care centers that are able to solve the shortage of child care for infants - Care that is linguistically and culturally appropriate as well as available during nontraditional hours. Lastly, the foundation encourages the state to offer a pool of state funding that could be used to enhance these providers' capacity to successfully run their businesses and provide high-quality, culturally-appropriate care for children of working families.

NATURE AND SOURCES OF OPPOSITION:

No Opposition to this bill offered

Reported by: Gabriela Dos Santos

Date: March 6th 2021