



Testimony of Christopher Davis
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Before the Finance Committee
Hartford, CT
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HOUSE BILL 5002: AN ACT CONCERNING EARLY CHILDHOOD CARE AND EDUCATION

Good morning Senator Fonfara, Representative Horn, Senator Martin, Representative Cheeseman, and other esteemed members of the Finance, Revenue, and Bonding Committee. My name is Christopher Davis, and I am the Vice President of Public Policy for the Connecticut Business and Industry Association. CBIA is Connecticut's largest business organization, with thousands of member employers, small and large, representing a diverse range of industries from across the state. Ninety-three percent of CBIA member companies are small businesses with 100 or fewer employees.

I appreciate the opportunity to provide testimony regarding House Bill 5002, AN ACT CONCERNING EARLY CHILDHOOD CARE AND EDUCATION.

The lack of affordable and reliable childcare has had a negative effect on our state's economy, impacting the ability of many women and low-to-moderate income workers from entering or advancing in our workforce. This impact has real economic ramifications, with 44 percent of American parents having reduced their regular work hours because of childcare-related challenges and 41 percent lost out on professional advancement or promotions. In fact, 1 in 5 parents have quit a job or been fired due to childcare access issues.¹ As employers across the state continue to struggle to find help during our current workforce shortage, increasing access to affordable childcare will help alleviate the economic pressures that have left many Connecticut families unable to afford this important piece of our economic infrastructure.

Specifically, CBIA supports Section 5 of the bill that proposes a tri-share childcare model in New London County, establishing a public-private partnership with an evenly shared cost for qualifying employees' childcare between the state, participating employers, and participating employees. Currently, thousands of jobs remain open in New London County as its major defense, manufacturing, and hospitality industries struggle to find workers, in part because the area is a childcare desert.²

Recommended by the Governor's Blue Ribbon Commission on Childcare that CBIA was a member of, this proposed tri-share model will serve as a blueprint for the rest of the state, and has a proven track record of success in other states, particularly in Michigan, where the three regions (59 counties) participating

¹ Governor's Blue Ribbon Commission on Child Care Report

² <https://www.ctinsider.com/news/article/Data-Nearly-half-of-CT-residents-live-in-a-16739222.php>

in the tri-share program have experienced an 80% increase in employee retention rates.³ In addition to an increase in employee retention rates, employees across all participating hubs decreased their monthly child care costs by \$464, with 86% of participating employees saying the tri-share program has made childcare more affordable. From an employer perspective, 63% of participating employers believe the program has helped their company retain existing employees.⁴

In conclusion, CBIA thanks the committee for its willingness to address childcare affordability this session. Please feel free to reach out to us with any additional questions or concerns you may have.

³ <https://time.com/chapter/6276140/tri-share/>

⁴ <https://www.michigan.gov/mileap/-/media/Project/Websites/mwc/Tri-Share/MI-Tri-Share-Pilot-Evaluation-Report-FINAL.pdf?rev=b22e11e8ff544f4ba7666644447647fd>

