

303 E. 17th Avenue, Suite 400, Denver CO 80203 • 303.297.0456

Early Childhood Educator Tax Credit (HB22-1010)

Testimony to the House Education Committee

Julie Pecaut, Director of Strategy and Operations • Feb 03, 2022

Thank you for the opportunity to submit written testimony in support of HB22-1010, and in support of amendments that would make the credit more inclusive of child care providers. My name is Julie Pecaut, and I am the Director of Strategy and Operations for the Bell Policy Center. The Bell Policy Center provides policymakers, advocates, and the public with reliable resources to create a practical policy agenda that promotes economic mobility for every Coloradan.

We wanted to share a few points relevant to the bill from our recent findings in our new research series, <u>Quality Child Care in Colorado: A Cost Study</u>:

- Even though many families struggle to afford care, our new Colorado Cost of Care Model shows that market rates are not currently covering the full cost of providing that care in most areas. That difference is being shouldered primarily by the low wages of early education workers, as well as by child care centers and providers themselves.
- We do not have enough qualified early childhood educators to meet current needs, and the pandemic has created additional vacancies that child care providers are struggling to fill. Low pay is the main factor driving the difficulties in recruiting qualified workers, and a primary reason many dedicated early childhood educators are choosing to leave the field.
- The need for more qualified early educators who reflect the culture and language of the children they serve is especially great, as is the need for more opportunities for educators of color to serve as lead teachers.

By providing targeted assistance to our early childhood educators, we will help to address their economic stability and help them remain in the field. By amending the bill to make the credit more inclusive and more meaningful, we can help educators early in their careers and provide incentives for their continued growth.

Research has shown that targeted tax credits are powerful anti-poverty tools, and that putting money back into the pockets of those most likely to spend it benefits our economy. While the proposed credits are not intended as a comprehensive solution to the wage issues faced by the early care and education sector, they represent an important investment in the care and education of our youngest learners, and in the people who provide that care.

This is why we support HB22-1010 and urge a yes vote on the legislation and on the proposed amendments. Thank you again for the opportunity to submit testimony, and thank you to Representative Sirota and Representative Van Beber for bringing the bill.