

6



Testimony
2016 Joint Legislative Hearing
Economic Development Committee
February 2, 2016

Testimony
2016 Joint Legislative Hearing
Economic Development Committee
February 2, 2016

Thank you, Members of the Committee, for giving me the opportunity to testify today.

I am the NYS Director of Council for a Strong America, the national nonprofit umbrella organization that houses ReadyNation. ReadyNation, in turn, leverages the voices of business leaders across the State in support of proven investments in children and families. As employers, our members are supportive of a range of college- and career-readiness initiatives designed to close the job skills gap, including P-Tech and the Career and Technical Education (CTE) pathway to a diploma. We hope that you will work across budget tables this year, with education, to ensure that those programs are adequately funded. It is only with appropriate funding that they will be able to offer access to the many young people who might benefit from them and go on to become successful employees, contributing to the economy.

However, today we are addressing our comments to the issue of high-quality child care—something that impacts not only thousands of children and their working parents, but 12,500 small businesses across New York State.

We urge you to allocate \$24M-\$28M in economic development funds so that the costs of background clearances for child care providers are not passed down to low-wage workers and small businesses.

Under the Child Care and Development Block Grant (CCDBG) Act of 2014, child care providers must now be checked against a variety of databases, including FBI fingerprinting, the National Crime Information Center, the National Sex Offender Registry, the State criminal and sex offender registry, and child abuse and neglect

registries in each state that a provider or household member has resided in over the past five years.

This new regulation means that more than 220,000 regulated and legally-exempt providers (as well as household members over the age of 18) will be required to have a background check at a cost of \$101.45 per person.

Therefore, nearly 12,500 small businesses (child care centers and family child care homes) and their employees will bear the financial burden of these clearances if funding for background checks is not included in the State Budget. Low-wage workers will be burdened by these costs and, in worst-case scenarios, small businesses across the State will close.

You have demonstrated that you care deeply about economic development and bringing businesses to our State. There must be a strong workforce to support your initiatives.

Employers and employees are parents, and parents cannot work without child care.

And as you know, child care generates revenue. Every dollar in New York State that is invested in early care and learning generates a total of \$1.86 in sales of local goods and services throughout the State - as much or more economic activity than investments in all other economic sectors, including manufacturing, construction, and transportation. And that's money that stays in local communities. I urge you to keep that in mind as you work with your colleagues on economic development strategies across the State.

So this investment is a win-win. It helps save small businesses and provides the child care necessary for parents to work. Please support economic development by making this investment.

Thank you.

Jenn O'Connor, NYS Director, ReadyNation

518/396-5774

joconnor@readynation.org

