

REPRESENTATIVE JULIE COULOMBE
ALASKA STATE LEGISLATURE

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Sponsor Statement
HBCS Version 33-LS0518\U
February 21, 2024

House Bill 89 is a workforce bill that aligns with the Governor's Child Care Task Force on Child Care recommendations. This bill will incentivize the private sector to offer child care benefits to their employees to fill jobs essential for economic growth, expand the number of families that can access assistance, and align funding to the actual cost of care.

HB 89 strengthens the childcare system in several ways:

- Creates a tax exemption for employers who incur child care expenditures, cash or equipment, or payments to employees and increases the amount that can be deducted.
- Adds a person to the Child Care Program Office to assist employers in instituting a child care benefit to their employees.
- Expands the number of families who can access assistance by raising the income level to qualify and raises the cap on the percentage of income a family spends on child care.
- Provides the opportunity to align the assistance level to reflect the actual cost of care instead of using a market study.
- Offers an option for the Child Care Program Office to give grants to high performing, high quality child care providers.
- Provides that the Department will develop a sliding fee scale for families who increase their household income without losing all the child care assistance at once.

The Governor has stated that he has a vision of making Alaska more affordable for families and I agree. Part of accomplishing this vision is affordable quality child care that is accessible to families. Child care affects our workforce which in turn affects our ability to grow the economy. It is estimated that the lack of reliable child care costs Alaskan employers \$152 million in employee absences and turnover. This is an issue we can help solve. HB 89 is a call to the private sector to look at child care as an employee benefit, to encourage people to open up child care services, and an initiative to help families find safe affordable, high quality child care. As long as Alaska's energy, housing and groceries keep growing, parents will have to work to keep up. It's time for us to work with the Governor and act on this pressing issue.