

**HEARING: IN THEIR OWN WORDS:  
PAID LEAVE, CHILDCARE, AND AN ECONOMY THAT FAILED WOMEN**

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HEARING  
BEFORE THE  
**COMMITTEE ON WAYS AND MEANS**  
U.S. HOUSE OF REPRESENTATIVES  
ONE HUNDRED SEVENTEETH CONGRESS  
FIRST SESSION

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April 21, 2021

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**Serial No. 117-xx**

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House of Representatives,  
Committee on Ways and Means,  
Washington, D.C.

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**Witnesses:**

**Agnes Braga**, Working Mom, Speech Language Pathology Assistant

- [Testimony](#)

**Bethany Fauteaux**, Working Mom, Child Care Worker

- [Testimony](#)

**Rebecca Gonzalez**, Working Mom, Child Care Facility Owner

- [Testimony](#)

**Molly Moon Neitzel**, Working Mom, Ice Cream Shop Owner

- [Testimony](#)

**Joy Spencer**, Working Mom, Director of a Non-Profit for Women

- [Testimony](#)

**Linda Smith**, Director, Early Childhood Initiative at the Bipartisan Policy Center

- [Testimony](#)



**HOUSE COMMITTEE ON WAYS & MEANS**  
CHAIRMAN RICHARD E. NEAL

# ***ADVISORY***

## **FROM THE COMMITTEE ON WAYS AND MEANS**

FOR IMMEDIATE RELEASE  
April 14, 2021  
No. FC-2

CONTACT: (202) 225-3625

### **Chairman Neal Announces a Hearing Titled “In Their Own Words: Paid Leave, Child Care, and an Economy that Failed Women.”**

House Ways and Means Chairman Richard E. Neal announced today that the Committee will hold a hearing titled “In Their Own Words: Paid Leave, Child Care, and an Economy that Failed Women” on Wednesday, April 21, 2021 at 12:00 PM ET in room 1100 Longworth House Office Building. The hearing will also be accessible via Cisco WebEx.

Pursuant to H. Res. 8, Members are encouraged to participate remotely in this hearing. Members will be provided with instructions on how to participate via the Cisco WebEx platform in advance of the hearing. Members of the public may view the hearing via live webcast available at <https://waysandmeans.house.gov/>. The webcast will not be available until the hearing starts.

In view of the limited time available to hear witnesses, oral testimony at this hearing will be from invited witnesses only. However, any individual or organization not scheduled for an oral appearance may submit a written statement for consideration by the Committee and for inclusion in the printed record of the hearing.

#### **DETAILS FOR SUBMISSION OF WRITTEN COMMENTS:**

Please Note: Any person(s) and/or organization(s) wishing to submit written comments for the hearing record can do so here: [WMdem.submission@mail.house.gov](mailto:WMdem.submission@mail.house.gov).

Please ATTACH your submission as a Word document, in compliance with the formatting requirements listed below, by the close of business on Wednesday, May 5, 2021.

For questions, or if you encounter technical problems, please call (202) 225-3625.

**FORMATTING REQUIREMENTS:**

The Committee relies on electronic submissions for printing the official hearing record. As always, submissions will be included in the record according to the discretion of the Committee. The Committee will not alter the content of your submission, but reserves the right to format it according to guidelines. Any submission provided to the Committee by a witness, any materials submitted for the printed record, and any written comments in response to a request for written comments must conform to the guidelines listed below. Any submission not in compliance with these guidelines will not be printed, but will be maintained in the Committee files for review and use by the Committee.

All submissions and supplementary materials must be submitted in a single document via email, provided in Word format and must not exceed a total of 10 pages. Witnesses and submitters are advised that the Committee relies on electronic submissions for printing the official hearing record.

All submissions must include a list of all clients, persons and/or organizations on whose behalf the witness appears. The name, company, address, telephone, and fax numbers of each witness must be included in the body of the email. Please exclude any personal identifiable information in the attached submission.

Failure to follow the formatting requirements may result in the exclusion of a submission. All submissions for the record are final.

**Note:** All Committee advisories are available [[here](#)].

###

The committee met, pursuant to call, at 12:07 p.m., in 1100 Longworth House Office Building, Hon. Richard Neal [chairman of the committee] presiding.

\*Chairman Neal. The Ways and Means Committee will now come to order. Good afternoon, or -- I know, for a couple of our witnesses, it is still good morning. I want to

thank everyone for joining us today.

Pursuant to notice, today's hearing is taking place in our Ways and Means Committee hearing room, with members and witnesses permitted to attend remotely, in compliance with the regulations for remote committee proceedings, pursuant to House Resolution 8.

While we have all become familiar with the new technologies, I do want to remind members of a few procedures as we navigate this hybrid hearing setting.

First, consistent with regulations, the committee will keep the microphones of those on the Webex platform muted to limit background noise. Members both in the hearing room or via WebEx are responsible for unmuting themselves when they seek recognition, or when recognized for their five minutes.

Second, we will dispense with our practice of observing the Gibbons Rule, and instead go in the order of seniority for questioning, alternating between minority and majority, for five minutes each.

Third, when members are present in the hearing via the Webex platform, they must have their cameras on. If you need to step away, or to attend another proceeding, please turn your camera and audio off, rather than logging out of the platform.

I thank you all for your patience as we continue to navigate this new technology. And, hopefully, we will be together again soon as we proceed with our continuing service to the country during these challenging times.

With that I want to turn to the topic of today's hearing: paid leave, childcare, and an economy that has failed women. Today we have the privilege of hearing directly from five women from across the country who are living proof that our economy is not built to set working mothers up for success, and I want them to do the talking at this hearing.

For far too long we have treated childcare and caregiving as an optional, rather than

a basic, necessity. Instead of restructuring work in a way that is sustainable for all Americans, we essentially told women, "Good luck fending for yourselves."

The COVID pandemic has made things worse, but there have been some findings, I hope, that we can all agree upon.

Our failure to recognize basic caregiving obligations in the U.S. has driven millions of women out of the workforce since last March, with a majority of those being women of color.

Over a year later, many have yet to return, undoing decades of progress toward gender equity in the labor market.

We know that childcare was hard to find even before the pandemic, but estimates suggest that over four million spots now could be permanently gone.

The industry was already riddled with high staff turnover and built on the backs of underpaid women of color.

And with regard to paid leave, the United States is the only industrialized nation with no maternity leave.

This is unacceptable. We are working with parents, and they are working to the bone, wasting their talents and putting our country at a competitive disadvantage. We should treat this as a long-term investment.

These issues are not new to the Ways and Means Committee. We were able to take modest steps to address them in the American Rescue Plan. We all know there is still much more to do.

Women are already telling us what they need: paid family and medical leave, and childcare that they can count on. That's why I felt so strongly that, for this hearing, we needed to hear directly from working women. We need to talk to them instead of talking about them. And after we listen to their stories, we need to act.

The questions that should guide our action are the following: what do we value, and who should be able to fully participate in our economy? Those require obvious answers.

And now, to aid our recovery, we know that a return to pandemic -- pre-pandemic levels of employment are critical, but we need to dismantle the barriers to workforce participation that have stifled women for decades. I have constantly focused my attention on labor participation rates. I expect that we will hear clear and resounding answers to these questions today.



\*Chairman Neal. With that, let me recognize our ranking member, Mr. Brady, for an opening statement.

\*Mr. Brady. Thank you, Chairman Neal, for calling this hearing today. Chairman, we should be proud of our record of working together on important policies. I can think of few things more important than supporting American families. And look what was accomplished: the ban, first ever, on surprise medical billing, so that family tragedies wouldn't become financial crises; providing support for foster families during the pandemic, so that foster youth wouldn't be left behind; we worked together on five coronavirus relief bills prior to the pandemic, with more than \$20,000 in direct federal relief for families, and over \$328 billion in tax relief for families and local businesses.

Today we have an opportunity to do the same thing with childcare and paid family leave. There is no daylight between Republicans and Democrats on this important issue, though of course we have our differences on how best to approach it.

America's economy was in high gear in a big way prior to the pandemic, and women and their families were some of the biggest beneficiaries of strong economic growth and tax cuts. The unemployment rate for working mothers hit a 66-year low, at 3.5 percent. This was true for mothers of every color and academic achievement level, as well. Not only were more moms working, their wages were going up at a faster rate than ever before under tax reform. Black women with less than a high school degree saw 13 percent wage growth before the pandemic. And in 2019 alone, household income grew at the highest level ever -- in fact, more than all eight years of the Obama Administration. Poverty rates hit a 50-year low in America, and income inequality began to shrink.

Tax increases put those gains at risk, and hurt working mothers of all colors. Increasing access to childcare and paid leave were smart, pro-family, pro-growth policies. That is why Republicans have a proven track record of supporting working families. We

created the first-ever national policy on paid medical -- family medical leave, by creating the Family and Medical Leave Tax Credit. Our approach was to allow workers and their employers to work out the details and for Washington to stay out of the way. We encouraged job creators to offer workers up to 12 weeks of paid family medical leave.

We didn't just stop there: 39 million families benefitted from an increase in expanded child tax credit, delivering an average of \$2,200 per family in 2019. As part of the SECURE Act, members of this committee -- and I am especially proud of working together to establish a new baby savings provision -- allows millions of parents to borrow from their savings plans to pay for expenses, including leave from work. And at every opportunity, Republicans have also consistently supported increases in funding to expand access to affordable childcare for low-income working families.

Well, we all know how that changed when the virus came to America. Schools and childcare providers shut down out of an abundance of caution. So many parents, especially women who had worked so hard to advance their careers in order to provide for and take care of their families, made the difficult decision to leave the workforce.

But the fact that schools were shut down as a precautionary measure, but then remained shut down despite the science showing that they could safely reopen and have across America, that doesn't speak to a failure in our economy. It is these poor government decisions that still exist -- are hurting women and their children. It shows that Washington, governors, and mayors can do great harm, even when they are attempting to do good.

With our economy on the mend, and job creators eager to hire back America's workforce with good-paying jobs, we should be embracing proven policies that give workers flexibility at their jobs, not a smaller paycheck for life.

Under the FAMILY Act, Democrats' free paid leave would cost nearly \$120,000 to working families in permanently smaller paychecks, whether they use the plan or not.

Unfortunately, while there has been a lot of talk about bipartisanship in Washington, I believe this issue is the perfect place to begin.

I think the worst thing we could do, as policymakers, is reverse the trend of strong economic growth that benefitted working women and working families prior to COVID by ramming through an infrastructure package and massive tax hikes on the job creators who are asking to rehire America's workers.

We do have a closely-divided Congress, but we have achieved bold bipartisan solutions in this committee on behalf of working families in the past, and that can be true going forward, as well. If we do it right, we can empower moms and dads to pursue their careers while building strong and thriving families. This is common ground for our committee.

Once again, I want to thank Chairman Neal for calling today's hearing, and I look forward to hearing from our wonderful witnesses. Thank you.

\*Chairman Neal. Thank you, Mr. Brady.

And without objection, all members' opening statements will be made a part of the record.

Now let me proceed to witness introduction. I want to say a word of thanks to our witnesses for taking the time to appear before us today to discuss these very important questions.

One positive aspect of our adoption of remote proceedings during the pandemic has been the new ability to welcome witnesses virtually who may have been otherwise unable to take the time off from work or lack the resources to travel to Washington to appear before Congress. As a result of our embrace of virtual proceedings, we are now able to look beyond the usual Washington experts, think tanks, and interest groups to hear firsthand from a diverse array of everyday Americans about the challenges they face.

So today I am quite pleased to welcome some very impressive women to share in their own words the challenges they face in the economy without guaranteed paid leave or childcare.

First, I am pleased to welcome Rebecca Gonzalez, the owner of Time to Learn Daycare in the Bronx, New York.

Next, Joy Spencer, the executive director of Equity Before Birth in Durham, North Carolina.

Agnes Braga, in a speech pathology role in -- from Los Angeles, California.

Next, we have Bethany Fauteaux, a Massachusetts native and a childcare worker who balances her job caring for her own children and caring for her ailing mom.

Next, we will have Molly Moon Neitzel, the founder and CEO of Molly Moon's Homemade Ice Cream in Seattle, Washington.

Then we will hear from Linda Smith, the director of the Bipartisan Policy Center

for the Early Childhood Development Initiative, here in Washington, D.C.

At the request of Ranking Member Brady, we will do something a bit out of ordinary today, and Ms. Smith will be able to share with us during her five minutes the statement of her colleague, Adrian Schweer, who is a fellow with the Bipartisan Policy Center, and leads their Paid Leave Task Force.

Each of the witness statements will be made part of the record in their entirety. And I would like to point out that they should summarize their testimony in five minutes or less.

To help you with that time, please keep an eye on the clock. It should be pinned to your screen. I will notify you when the time has expired.

Ms. Gonzalez, would you please proceed?

STATEMENT OF REBECCA GONZALEZ, OWNER, TIME TO LEARN DAY CARE,  
BRONX, NEW YORK

\*Ms. Gonzalez. Good afternoon. My name is Rebecca Gonzalez, and I am the CEO and founder of Time to Learn Daycare. I am the mother of 3 boys between the ages of 13 and 20 years old, who are all at home with me now. And I became a grandmother last year, July, when my oldest daughter gave birth to her first child.

Before I opened my business 11 years ago, I had been in a shelter and was receiving government assistance. When I got out of the shelter in 2005, I worked in a party store, then decided to attend college. Two years later I became pregnant, and the doctor put me on bedrest. While I was home, I started to think about --

[Audio malfunction.]

\*Ms. Gonzalez. -- which was more than I received every two weeks. But I saved and finally scraped together the money to cover the fee. I opened my first site two years after I had --

[Audio malfunction.]

\*Ms. Gonzalez. Six months before the pandemic, my second site was approved to provide 24-hour care, an extra service I provide for parents who work non-traditional hours. When the pandemic reached New York, I had 22 children enrolled and employed 2 assistants. The children were all ages --

[Audio malfunction.]

\*Ms. Gonzalez. By April my enrollment dropped to two children. Some parents made arrangements to work from home, and those who were attending college --

[Audio malfunction.]

\*Ms. Gonzalez. I was used to seeing my children on a daily basis. I created Zoom

calls three times a week so I could connect with my children, and they could also see their peers and mingle with them.

One of my biggest concerns was about the children being at home all day, when I know parenting could be stressful. But I understand that, as a parent, keeping them at home --

[Audio malfunction.]

\*Ms. Gonzalez. I tried to keep myself, my staff, and parents updated with the CDC guidelines and the training, and I encouraged everyone to stay positive during this --

\*Chairman Neal. Ms. Gonzalez, would you --

\*Ms. Gonzalez. -- talking to my own children --

\*Chairman Neal. Ms. Gonzalez, we are having trouble hearing you. Could you maybe make an adjustment --

\*Ms. Gonzalez. Yes --

\*Chairman Neal. Perhaps turn off your video, and we could just pick up the audio side of it. Your connection is not what we would like, because the members that are here cannot --

\*Voice. How is it going?

\*Ms. Gonzalez. Okay, can you hear me now?

\*Chairman Neal. Yes, better. Yes.

\*Ms. Gonzalez. I don't know, where should I start?

\*Chairman Neal. Well, because of the communication, wherever you would like. If you want to start over, that would be fine.

\*Ms. Gonzalez. Can you hear me now? Okay. So I will just -- okay.

Good afternoon. My name is Rebecca Gonzalez. I am the CEO and founder of Time to Learn Daycare. I am the mother of 3 boys between the ages of 13 and 20, who are

all at home with me now. And I became a grandmother last July, when my oldest daughter gave birth to her first child.

Before I opened my business 11 years ago, I had been in a shelter and was receiving government assistance. When I got out of the shelter in 2005, I worked in a party store. Then I decided to attend college. Two years later I became pregnant, and the doctor put me on bedrest. While I was at home, I started to think about what I could do. My cousin suggested I should start my own business in the early childhood field.

I didn't know where to start, so she shared information about health and safety training, which I needed to become licensed. It took a while to get everything settled, as I had three small children, and another one on the way. The training was 250, which was more than I received every 2 weeks. But I saved, and finally scraped together the money to cover the fee. I opened my first site two years after I had my youngest son.

Six months before the pandemic, my second site was approved to provide 24-hour care, an extra service I provide for parents who work non-traditional hours. When the pandemic reached New York, I had 22 childrens enrolled and employed 2 assistants. The children were all ages, infants to school-age. By April my enrollment dropped to two childrens. Some parents made arrangements to work from home, and those who were attending college stayed at home with their child.

I was used to seeing my children on a daily basis. I created Zoom three times a week so I can connect with my childrens, and they can also see their peers.

One of my biggest concerns was about the childrens being at home all day, when I know parenting can be stressful. But I understand, as a parent, keeping them at home is safer. I tried to keep myself and my staff updated with the CDC guidelines and training. I encouraged everyone to stay positive during this difficult time.

Meanwhile, I was helping my own childrens with remote learning, and also



supporting my daughter, as she prepared to become a first-time mom. The whole thing was very difficult and scary. By April I didn't know if I could continue doing this myself, trying to cover everyone's needs, and I had forgotten about my own.

One minute I was working with the daycare childrens, and the next minute I was helping my 13 and 16-years-old with their schoolwork under a remote learning model. Being part of ECE on the Move, a group of providers that support other providers, and All Our Kin, a group that supports family childcare providers, helped a lot.

All this time I didn't know if childrens would come back to childcare, or if the numbers enrolled or staff ratio would be limited. This would make it difficult to continue paying all the bills -- expensive.

We were asking for more childcare funding, because family childcare providers and all childcare providers are already underpaid, with no benefits. Still, we were expected to be on the front line to care for our essential workers' childrens and exposing our own families to risk.

I closed one of my programs temporarily in July, and my second site, from September to April, no children attended.

[Audio malfunction.]

\*Ms. Gonzalez. -- childrens attending, as their parent has to work. I text parents, but some are still home with family members.

Family childcare is a hard business to sustain. I know many experienced family childcare providers who have closed permanently since last year, and they continue to do so. I am always sad to hear when providers close their doors. What will this mean for them and families in the community?

You have to love childrens to do this work because, at the end of the day, families -- childcare providers earn an average of \$4 an hour.

Many people think the pandemic was a special exception, a one-a-lifetime event. But it put a spotlight on -- working mothers and childcare providers experience every day. We cannot go back to what we had before, because it was not sustainable for providers or parents.

Childcare is a public good, as much as a part of the infrastructures as roads, bridges, and public transportation. Without us, parents cannot go back to work. Childrens don't reach their full potential unless they have a stable environment that supports their growth. We need to invest in the -- the childcare supply -- come into the field. It means supporting additional educators training and -- childcare providers like me.

A lot of us are parents ourselves, and we make it possible for other parents to go to work. We do this because we care about the childrens, and family, and our neighbor. We are here to help the country rebuild, but we need your help. We need your support. Thank you.

\*Chairman Neal. Thank you, Ms. Gonzales. Your full written testimony will be included in the record.

Now let me proceed to Ms. Spencer.

You are recognized.

STATEMENT OF JOY SPENCER, EXECUTIVE DIRECTOR, EQUITY BEFORE  
BIRTH, DURHAM, NORTH CAROLINA

\*Ms. Spencer. Thank you. Good afternoon, Chairman Neal, Ranking Member Brady, and members of the committee. My name is Joy Spencer. I am a single mom of an amazing two-year-old girl, and a proud member of Moms Rising, also the executive director of Equity Before Birth, which is a charity organization that supports pregnant people most impacted by the inability to access benefits like paid leave.

The work I do every single day is highly personal for me, because I know what it is like to struggle without access to paid leave and affordable childcare. I am here to say that our nation's failure to invest in taking care of our families has really increased hardship for many families across the nation, including my own, and the absence of paid leave and affordable childcare has really affected the struggle I have with paying bills and meeting basic needs, and even reaching my career goals.

As you can imagine, the pandemic worsened these challenges, and I am just grateful to be here in this space with the opportunity to share my story.

I had a really difficult pregnancy and was without paid leave the entire time. I struggled to keep down food, and even water. I was battling with headaches, dizziness, fainting spells. I had to suspend my event management work because I was simply too sick to continue being on my feet that much of the time, and I needed a desk job.

And so, while it was really stressful to look for work while I was pregnant, I was fortunate to land a position through a temp agency. And although I was keenly aware that I was losing wages every time I had to ask for time off for a prenatal care appointment -- because I didn't have any paid leave -- I was grateful to have a job. But I had to take off frequently, because my pregnancy was deemed high risk. And so I had to go and see

doctors at least once per week.

I knew that, as soon as I gave birth, my source of income would go away. And so I knew I had to build a savings. And so I got a second job at a call center, which was also a position that didn't offer any paid leave. Despite being constantly, constantly dizzy and nauseous, I worked as many hours as I could between both jobs, because I knew I needed the savings. The bills will absolutely not stop when my baby arrived.

So once I gave birth, I went through my savings pretty quickly, and it was really terrifying to have a newborn and no income, because we absolutely struggled with acquiring basics like food and paying my rent.

And I really wanted to work. I am highly employable, but there is just no affordable childcare options in my community, especially with me being unemployed at the time. And parent -- the waiting list for parents who needed childcare and childcare subsidies was very long. Like, parents are on that waiting list for years.

So I was in a Catch-22, like many parents often are. I wasn't eligible for any childcare assistance programs because I didn't have a job, but I really couldn't find a job because I didn't have the childcare I needed to go through the process with interviews, and things of that nature.

So anyway, I finally found a job with an AmeriCorps program that will also subsidize my childcare. It came with a \$100 parent fee, but I even struggled to pay that because of my low salary. I found a higher-paying job with local government at a county courthouse. And then my parent fee more than tripled.

And then the pandemic hit, and childcare closed. But of course, the courthouse didn't, so I was still required to go to work. And I didn't have enough paid leave to sit at home with my child. My employer worked with me, and gave me some files to organize, but those remote tasks ran out quickly.

I didn't know what to do. I couldn't keep calling out of work, I couldn't keep leaving early. But if I left my job, how was I going to continue paying the bills? I had worked so hard to get this new job, and it felt like everything was falling apart. And so I spent a lot of long, sleepless nights full of tears.

But in what felt like a miracle, I was offered a position as executive director at Equity Before Birth, where I am now. But I still struggle with paying for my childcare. I still struggle with keeping up with my bills.

I was recently told that I had owed \$975 to my child's program because my subsidy was cut off. Thankfully, we worked out a payment plan for that.

And I know I am running out of time, so I would like to just say this. Many families are struggling, and I work with families every day that -- these stories are not isolated. A lot of families have been laid off and lost their childcare. And these are structural problems, and we need federal solutions now, more than ever. I really hope that people will take the time to listen to our stories and invest in a care infrastructure that will really support working families as we reach our goals.

\*Chairman Neal. Thank you, Ms. Spencer.

Now we will proceed to Ms. Braga.

STATEMENT OF AGNES BRAGA, SPEECH LANGUAGE PATHOLOGY  
ASSISTANT, LOS ANGELES, CALIFORNIA

\*Ms. Braga. Good morning or good afternoon, Chair Neal, Ranking Member Brady, and members of the committee. My name is Agnes Braga. I am a speech language pathology assistant, also known as a SLPA, in Los Angeles. And I am proud -- and I am a proud member of SEIU Local 99. Thank you for inviting me here today to discuss the challenges working mothers like me face as our country moves forward from COVID-19.

It is an understatement to say that this past year has been difficult. Like so many working parents, I have had to figure out how to keep my 16-year-old son and 12-year-old daughter safe, figure out distance learning, while balancing my workload.

As a SLPA I provide direct support to students with communication disorders. I enjoy providing my students with the care they deserve, as they find their voice in the world. I was devastated when COVID hit and I could no longer provide my babies with in-person support. Today I am preparing for my return to the school sites. While I am excited to see my students in person, I am anxious about how reopening our schools will impact my professional and personal life.

Just like our country, my family is also in a time of transition. My children's father and I are separating and will soon live apart. So I am going to be a single mother. While I try to move forward in finding my new normal, I worry about what my return to in-person classroom instruction will mean for my own children.

Like many teens, my son suffered from deep depression during quarantine because he wasn't able to spend time with his friends, which is very important to someone his age. His father and I have been able to give him attention and support while I have been working from home. Now I worry about what will happen when I leave both my children



by themselves to work at my school sites.

I am also worried about how our upcoming move will impact care for my daughter. Her father can walk and protect her to and from school now, but he will not be able to do this when we no longer live in the same neighborhood. My job requires a one to two-hour commute each way through Los Angeles every day. So my daughter would be by herself for several hours. I am anxious about the time between my daughter's departure from school and my arrival home. Girls her age in my city can get hurt or even abducted. Will she be safe walking alone? Will I be able to find an affordable care program for her?

Sadly, my story and concerns about childcare are not unique. My brother and sister-in-law are both nurses who do not receive any financial assistance for childcare. They relied on my mother to care for their baby. My mom is currently recovering from a surgery, so I am helping care for her during her recovery, as well as my brother's one-year-old, and sometimes their four-year-old, too. My family's story is just one example of how challenging it is to balance work and family responsibilities.

This pandemic has made things even harder for most of us. I am very proud of the work my SEIU Local 99 family has done to secure \$500-a-month stipend for LAUSD teachers and classified employees with young children as we return to school. School employees, including custodians and bus drivers, will get a subsidy for each eligible child aged five and under through the end of the semester, and if they work over the summer. It was important for us to negotiate this benefit to provide extra support for parents with young children who have been under so much stress over this past year.

Our union has also worked to expand access to childcare for nurses and other essential workers who have been on the front lines during this pandemic. All working parents of young and school-aged children like me need reassurance that our children are safe while we are working.

Childcare should be more affordable and available for all parents. It is critical that we make childcare jobs important and substantive. That means strong unions, higher pay with health care, sick leave, and other benefits. Childcare providers do some of the most important work: nurturing and educating our next generation so that their parents can go to work. This workforce should be respected, protected, and paid good wages.

As our nation continues to move past this pandemic, changing the status quo and improving the lives of working mothers and our children is essential. We need to improve childcare, so it works for both parents and childcare providers. This is a critical step in the reopening and recovery process.

Thank you, I look forward to your questions.

\*Chairman Neal. Thank you, Ms. Braga.

And now, Ms. Fauteaux, you are recognized to proceed.

Ms. Fauteaux, could you unmute, please?

[Pause.]

\*Chairman Neal. Well, while -- Ms. Fauteaux, while you try to correct the technical difficulties with some help from the staff, we will then recognize Ms. Neitzel.

Ms. Neitzel?

STATEMENT OF MOLLY MOON NEITZEL, FOUNDER AND CEO, MOLLY  
MOON'S HOMEMADE ICE CREAM, SEATTLE, WASHINGTON

\*Ms. Neitzel. Chairman Neal, Ranking Member Brady, and members of the committee, thank you for the opportunity to testify today on the need to invest in care infrastructure, including paid family and medical leave. I am honored to speak before your esteemed panel, alongside my distinguished fellow witnesses.

My name is Molly Moon Neitzel. I own Molly Moon's Homemade Ice Cream in Seattle. I am a mom to two amazing girls, eight and three years old, and a founding member of Main Street Alliance, a national network of more than 30,000 small business owners.

I launched my business in 2008, committed to building a profitable entity that reflects my values. In 2013 I gave birth to our first daughter. After taking 12 weeks of leave, I gained newfound appreciation of how hard it is to care for a new child. After much research, I decided to provide 12 weeks of paid family and medical leave to all of my employees. Given limited, costly private insurance options, I assumed all costs of paid leave and replacement work. But the benefits soon became clear: we retained valued staff and recruited talented managers who wanted benefits competitive with what larger companies offer.

But many small businesses can't provide paid leave on their own. So I was an early supporter of Washington State's paid leave bill, passed in 2017. Our company's total premium costs for the state program are less than what it cost us to cover a 12-week leave for one management employee on our own. Since the state benefits are capped, I now just top off employees' paychecks, so they get full pay while on leave.

Before the pandemic, Molly Moon's had 8 locations with up to 150 employees in

summer. Then came COVID. We closed fully for six weeks, and laid off almost all of our employees, including my own father. Then we gradually reopened for takeout. In that period we lost 97 percent of our retail income. I feared losing my company, our house, and life savings.

When we saw we would need to close, I wrote to our elected officials, begging for higher unemployment benefits, closer to true wages for our workers. We had to make real sacrifices. My husband sold his coffee shop to limit our debt and stay home with our girls while schools were closed, so I could work to save my company. During this time our daughter was diagnosed with autism and ADHD, stressful diagnoses with time-consuming therapies.

My choices were challenging, but many of my staff had fewer resources and more challenges. One employee used to own a commercial cleaning business. She had 30 workers before being wiped out by a property management merger of the office buildings that were her major clients. She took a job at Molly Moon's before the pandemic. When we had to lay her off, she got by on unemployment insurance, then started working part-time at a big box store. She is a single mom of a teenager and 11-year-old quadruplets. She was juggling too much.

We told her about the Families First Coronavirus Emergency Response Act, FFCRA, and worked out a schedule so she could use the benefits while holding down two jobs and doing remote school with the quads. Then she was diagnosed with double carpal tunnel syndrome. Our state paid leave covered her wages during her surgery and recovery. She wasn't given any paid leave by her big box employer for the pandemic-related school closures or the surgeries, showing the need for a national minimum standard.

Two other employees of ours, single moms, have used FFCRA while their kids are doing remote learning. One of our managers had a baby last year and took state-paid leave.

We then offered her FFCRA when her parents couldn't watch the baby, due to COVID risks. And our director of finance and HR has moved her elderly mother with dementia in with her. She is able to use state-paid leave when needed.

It has ultimately taken our company policies, my amazing HR director, the state-paid leave program, and FFCRA to patch together a caregiving response that kept these highly valued employees connected to Molly Moon's. Far too many other small business owners and employees never found out about FFCRA and did not have a state or company program.

The toll on women and BIPAC small business owners and their families is especially stark. COVID has shown that we desperately need to improve our caregiving infrastructure, from paid family and medical leave to child and elder care.

On behalf of Main Street Alliance, we applaud passage of the American Rescue Plan. The extension and expansion of the FFCRA tax credits continues another critical lifeline for small businesses. Yet the pandemic exposed large gaps in critical infrastructure for small business. Federal lawmakers must make creating a robust, permanent paid family and medical leave program a priority.

Thank you for your time and consideration. I look forward to your questions.

\*Chairman Neal. Thank you, Ms. Neitzel.

We are now going to proceed to Ms. Smith; I understand that Ms. Fauteaux is still experiencing some technical difficulties. The staff is working with her to try to offer some assistance.

Ms. Smith, you are recognized.

STATEMENT OF LINDA SMITH, EXECUTIVE DIRECTOR FOR THE EARLY  
CHILDHOOD INITIATIVE, BIPARTISAN POLICY CENTER, WASHINGTON, D.C.

\*Ms. Smith. Chairman Neal, Ranking Member Brady, and members of the committee, thank you for convening this very important hearing. My name is Linda Smith, and I am the director of the Early Childhood Initiative at the Bipartisan Policy Center. I appreciate the opportunity to be here and want to thank you for your -- from the outset, for listening to parents. I hope my remarks will explain some of their challenges in finding and affording childcare that are all too common across this country and in each of your districts.

As the pandemic has demonstrated, working parents need childcare to participate in the workforce, provide for their family, and support our economy. In this sense, childcare is a public good. Its existence benefits the well-being of our entire country.

Despite the need for a strong childcare market, our system is largely failing all involved. It is expensive to operate, but still the pay for the workforce is near poverty levels. It is often unaffordable or unavailable for parents, and not adaptable to the changing times. The lack of childcare and the inability of parents to pay for what does exist means that too many children are going without a safe and developmentally appropriate learning environment, parents are forced out of the workforce, and our nation's economic success is stifled.

BPC has been engaging in a conversation with parents across the country, similar to the one we are having here today, to better understand the parents' wants and needs out of an improved childcare system. We have also conducted a series of parent surveys which provide a quantitative understanding of the stories you are hearing today, and surely you will hear back in your districts.



Some of our findings and potential solutions are included in my written testimony. But what I want -- what I hope to impress upon you today is the need to reach across the aisle and work together in pursuit of better policies that can support our nation's working families.

This committee could make reforms to the Child and Dependent Tax Credit and invest in the childcare entitlement to states. You could alter the TANF program to ensure states spend their funds wisely, develop apprenticeship programs for the early childhood workforce, and support family childcare networks. Lastly, you could expand and improve upon the home visiting programs, especially those in our tribal nations.

As noted, Congress has a long track record of bipartisan support for childcare. There is also overwhelming bipartisan support among voters that childcare and early learning should be a priority for this country. This is not a red or a blue issue, nor did the problems exist in silos around the country. If you work together in a bipartisan fashion, this committee could institute long-lasting, society-wide improvements for families, for childcare businesses and their workers, and for all our nation's companies, both big and small.

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\*Ms. Smith. Now I want to turn the floor over to my colleague, Adrian Schweer, who will discuss the importance of paid family leave.

Adrian?

## STATEMENT OF ADRIAN SCHWEER, FELLOW, BIPARTISAN POLICY CENTER

\*Ms. Schweer. Chairman Neal, Ranking Member Brady, and distinguished members of the committee, thank you for having me here today. My name is Adrian Schweer, and I am a fellow at the Bipartisan Policy Center, where I lead the Paid Family Leave Project. But moreover, I am a mother of four, who, like so many on the dais up there today and so many back at home listening, has been stretched to the bone by this pandemic.

Paid family leave is one of those rare issues that garners broad bipartisan support back home in your districts, and right here in Congress. Over the last three years you have proven that we can enact bold, bipartisan solutions.

As you know, Congress helped enact a 12-week paid parental leave policy for new moms and dads who serve in the federal workforce, setting a great example for employers across the country.

Congress also extended a pilot program at the end of last year for another five years that provides a 25 percent tax credit to employers that are offering paid parental, paid family caregiving, or paid medical leave to low and middle-wage workers.

And last and most importantly, at the heart of the pandemic you passed a bipartisan and important policy that brought paid family and paid sick leave to working families during these unprecedented times.

The title of today's hearing indicates the pandemic has highlighted the long-standing structural problem. Families are struggling to balance work and life, particularly women with children and women with childcare responsibilities. Over the last year this challenge has become a full-blown crisis. The Bipartisan Policy Center, with Morning Consult, last fall had a survey in the field that showed that women were twice as likely as

their male counterparts to leave work due to childcare or school closures. Our survey also showed that 40 percent of women with children under the age of 2 had left work, which was nearly double that the rate of those with older children.

The problem is clear, and the status quo is unacceptable. I believe we can reach these bold solutions. Patchwork measures that provide temporary relief should not be mistaken for long-term solutions. And to achieve lasting change that will benefit women, children, families, businesses, and our country, we must look to the flaws in current federal policy and fix them in a bipartisan way, leveraging regular order where a diverse set of stakeholders can be at the table.

Hearings like this are a critical step towards building that support and the bipartisanship needed for lasting, meaningful solutions. Thank you for having me.

\*Chairman Neal. Thank you. Now we are going to --

[Audio malfunction.]

\*Chairman Neal. I think this is an example of why we need everybody to have good Internet connections.

[Laughter.]

\*Chairman Neal. So this will help considerably with the infrastructure bill.

Let me now return to Ms. Fauteaux. I think the difficulties that we are witnessing here do, in fact, reinforce the idea that improved Internet service and broadband is critical to all aspects of life.

Ms. Fauteaux?

You might need to unmute.

\*Ms. Fauteaux. Can you hear me now?

\*Chairman Neal. We can hear you.

\*Ms. Fauteaux. All right, I am so sorry about the technical difficulties.

## STATEMENT OF BETHANY FAUTEAUX, NEW BEDFORD, MASSACHUSETTS

\*Ms. Fauteaux. So thank you, Chairman Neal and members of the committee. It is an honor to testify today. I am a state-certified early childhood educator, and work for a childcare center that did not provide paid leave, as most do not.

In August of 2013 I gave birth to my second child. And in order to keep a roof over our heads, I had to return to work after three weeks. As I sat on the floor taking care of other mothers' children, the pain of my C-section stitches didn't compare to the pain of not being with my own brand-new baby.

Early childhood programs give kids the basis of everything they need for the rest of their lives, from the days of the week, to sharing, to keeping our hands to ourselves. Living in New Bedford, most of my students were poor kids of color with a childhood comparable to mine. I was proud that I could show them learning is fun and important.

No one tells you that, when you take out these loans for your major, that you will earn too little to pay them back. And to be treated as if you were disposable was truly heartbreaking. Care work is so undervalued, because it is a woman's job. Childcare workers earn poverty wages in 40 states.

I eventually gave up a career I love because I was able to make more money working in a restaurant. It was still a struggle, but I wasn't drowning. And then the pandemic hit, and our hours were cut, staff was let go, and I was kept on, but it was very unstable, because the daycare my children went to was shut down, and my daughter, who was 13, was doing only virtual learning.

On top of that, my mother, who is 72, was recently diagnosed with early onset Alzheimer's -- I am sorry. She hid it for a long time. And before I knew how bad it was, I left my kids with her one night and they called me crying, saying that she had passed out in

the street because she had stopped taking her heart medication. From then on I became her caretaker, too.

When my son's school reopened, I had to figure out how to bring him to school and also work. And like so many women in this pandemic, I can't work and be the mother I am supposed to be, and I can't not work. It is two puzzle pieces that won't fit together. I am constantly juggling utility bills. I will deal with the one that is going to be shut off, and deal with the other one later. I tried to get advances at work, and at one point I almost took out a payday loan because I was so desperate, and you can't let your kids go without basic necessity. And I still owe on those student loans because what I have paid -- I only paid on the interest.

I got involved with the Coalition for Social Justice fighting for paid leave. I thought I am in the 99 percent that doesn't have a trust fund or a safety net, and these are basic human rights. Every other civilization has figured it out. And are the people who make policy, who have paid leave, thanks to my taxes, telling me I am not important enough to access the same support?

Today I am speaking for the Coalition for Social Justice, Family Values at Work, and the Voices of Workers group of the Paid Leave for All campaign.

Even before the pandemic, parents had to die alone. One in four new moms had to go back to work after only two weeks, dads made to feel that they aren't parents, and for too many people cancer treatment is what you do on your lunch hour. We are seeing the disastrous effects of when you don't provide a safety net and disaster happens. It is sick and sad, but it is avoidable.

We can't go back, but we can make sure that it doesn't happen again, and we need permanent solutions. Many of us have seen needed reforms get passed and we have been left out. So I implore you, please pass paid family medical leave now, make it affordable,

secure, and include me and the millions like me. Make it equitable for women, people of color, LGBTQ folks, and that is what will make it effective and sustainable for all.

Thank you very much, Chairman.



\*Chairman Neal. First I want to thank our witnesses for superb testimony. It is very helpful.

Ms. Fauteaux, childcare has historically been a low-wage industry, and mostly employing of women. Talk about the wage structure for those with small children, and the levels of wage.

\*Ms. Fauteaux. Well, you know, childcare work has historically been considered a woman's job, which I believe has set the tone for why it has been such a low-paying job. But when we continue to pay these low wages for childcare, that -- and we expect high-quality childcare, we are just kind of saying how we feel about our future, you know, when we are paying the people who are teaching them these low, poverty wages.

\*Chairman Neal. Ms. Spencer, what did lack of paid leave during and after your pregnancy mean for your ability to find career-advancing employment?

And talk about the struggles that you have faced as you have tried to navigate these different support networks.

\*Ms. Spencer. Yes, so that is a heavy question. I would say, in terms of me being able to -- not having paid leave, for me, meant that I had no job security. And so that was a really stressful time, knowing that I didn't necessarily have a job to go back to.

For my situation, the position that I had while I was pregnant was a really awesome position. It was a local university, and I was starting to build really meaningful relationships with faculty and staff. And I am an administrative professional by trade and passion. And so it really could have catapulted my career, where I could have eventually moved up and had a high-ranking position at an esteemed university. But because I did not have that paid leave and those job guarantees, I was not able to return to that position.

So it actually set me back into a place where I was not able to pursue my career goals, and I ended up entering back into the workforce at a minimum-wage job, which set

that cycle of -- minimum wage is not enough for anyone to live in this country, let alone a mom with a newborn. And we all know that newborn childcare is among the most expensive of them all.

And then the second part of your question was how -- like, a little bit about my experience on the difficulties of receiving services. I don't even know where to begin with that. It started off, as a contractor and entrepreneur, I already didn't have health insurance, and I didn't have paid leave benefits. And so it started in a way where I needed health care.

Essentially, when I first found out I was pregnant, I actually was so sick I wasn't even able to hold down water. And so I had to suspend my work. And so I didn't even have the \$20 copay needed to get my first prenatal care appointment. The -- going to get Medicaid is a 45 to 60-day waiting process, which would have pushed me out of my first trimester. I am not sure how familiar people are with knowing how important it is to get seen in your first trimester to make sure everything is okay, and to check and make sure everything is developing correctly.

But, you know, long story short, it really put me in a position where I automatically felt like a bad parent. I felt like I couldn't get the health care I needed. I was not able to take care of myself the way that I needed. It made -- it diminished my self-esteem and my ability to maintain positive mental health, because I just was not able to meet the most basic of needs. And who feels -- you know, it is hard to feel like a fit parent when you can't access really, really basic stuff like food, and where are you going to sleep, and who -- you know, how are you going to get to the doctor the next day.

And so, undoubtedly, had I had paid leave, not only would I have not had as much interruption in my career goals --

[Audio malfunction.]

\*Chairman Neal. Well, thank you.

Ms. Braga, your union recently won a childcare supplement for union members, which strikes me as a very important and legitimate goal of collective bargaining. Why did your membership, do you think, deem this as an important item to bargain over, even if it meant giving up other things?

\*Ms. Braga. I don't think we gave up anything. We did the best we can.

I mean, we saw a need and set out to address it. We understood that there was a need for everyone in our schools, from teachers to bus drivers. So it is great that our employers stepped up.

But this isn't enough. This is just a short-term fix. We need more funding from our government to make childcare accessible for workers at every income level. We need high-quality childcare so that all parents can go to work with peace of mind.

\*Chairman Neal. Thank you. Let me recognize the ranking member, Mr. Brady, for five minutes.

\*Mr. Brady. First, thank you again, Chairman Neal, for calling this hearing. Thank you. These are remarkable witnesses, and we have learned from each one of you today. So thank you for that.

So it is crucial that we work together, both parties, to create durable access that families can count on, women can count on in paid -- especially in paid family medical leave.

The reason I think we need to be very smart about this help is that we are following the impacts of paid medical leave in the states, of the 10 states that have it -- California the longest. And so far, at least, the results are mixed. You know, the good news is that women with paid medical leave are returning to work at a higher rate, especially among younger moms. That is good news. The opposite side of that is the unemployment rate for women has increased in California, worsened after paid medical leave, and longer terms of

unemployment than before California had their family medical leave.

And we all want women and moms who want to stay in the workforce -- or need to -- with children, we want initiatives like this to help them. But in California, for example, California, New York, and North Carolina there are less women in the workforce in states with paid medical leave than states like Texas, the Midwest, and Minnesota that don't, which is why I think we need to come together and find ways we can sort of create good news in all of those categories. And certainly, at the end of the day, we don't want to take more out of women's paychecks, which the FAMILY Act would do to a significant degree.

The other thing I worry about, obviously, is women who lose their jobs. Right now, because of President Biden's executive actions canceling the Keystone pipeline, suspending and ultimately preventing more leases on federal lands, and then now the Green New Deal's goal of eliminating all oil and gas jobs, we have more than 400,000 women working in good-paying jobs in those industries, and another 400,000 yet to be hired in those industries in the future. I worry that this extreme Green New Deal will drive women not just home for a part of the time to take care of their child, but out of a job completely. I worry about that.

So there are so many areas to tackle. Perhaps let's tackle the one we are kind of aware of: how the economy is changing, and how it has changed for women and men.

But Ms. Smith, thanks for joining us. Thanks for having Adrian on here, as well, your colleague.

So the pandemic has changed the landscape, correct? So many parents working from home, having kids at home. It is horrible that many schools have not found a way to reopen. In Texas we have been reopened since Labor Day. It is so crucial to our children, and next to zero transmission rate within the classrooms. Obviously, we need to get these schools reopened.

But many companies have said they expect to go hybrid, you know, in the future. IBM says about 80 percent of their workforce will be hybrid. Surveys show that the workers who have been lucky enough to be able to work from home want to continue to do that. So, Ms. Smith, so how do these changes impact the need for childcare, for example, moving forward?

Do we expect a higher percentage of work arrangements and remote work to impact how parents get their childcare in the future?

Shouldn't we be considering this as we are developing these plans?

\*Ms. Smith. Yes, Representative Brady, and thank you for the question, because I think it is a very important question, and one that our country needs to focus on and very soon.

As you say -- and you mentioned the remote work model. Fortunately -- or unfortunately, there are a lot of parents who can't work remotely in our -- and they fall mostly in the low-income category. So I think that we have to be careful when we think about this.

But one of the things that I like to say and put on the table is that the future of work in this country is also the future of childcare. And we need to start now to have the conversations about what we are going to do to make childcare work for families. And in many cases -- and you have heard this -- it does not.

One of the things that I also want to say in describing our childcare system -- and I say it as often as I can -- what we have in this country is a dilemma. We have a -- basically, a market-based childcare system, and the market is broken.

And why is it broken? It is because we have, obviously, two sides of the equation. We have a supply side and a demand side. The simple truth is that it simply costs more to produce high-quality childcare than most families can afford to pay. And that is why the

system is broken.

And so, as we move forward and look at restructuring and rethinking childcare in this country, we have got to take into consideration this equation about how to make it work, because, as others have testified, the wages are low, their -- the wages are poverty level for -- over half of the people who work in childcare are at poverty. And that a crime, because if you have ever been in the childcare center, the work is hard, as was stated.

So how do we get the wages --

\*Mr. Brady. Ms. Smith, if I could just -- Ms. Smith, if I may, thank you for that wonderful answer. And unfortunately, we are out of time. But if you could submit that, I think that would be helpful for the record.

\*Ms. Smith. Okay, will do.

\*Mr. Brady. Thanks.

\*Chairman Neal. Thank you. The gentleman from Texas, Mr. Doggett, is recognized for five minutes.

\*Mr. Doggett. Thank you very much, Mr. Chairman, and thanks to all our witnesses for, really, providing diverse and insightful testimony this morning.

In my home state of Texas, about 80 percent of African-American mothers, and about half of Latina mothers, and almost as many White mothers are key family breadwinners. But our federal policies are still stuck in the past by not providing paid leave, affordable childcare, and other common-sense support systems that will allow these moms to continue leading our economy and their families.

Today we have heard from a number of essential workers who so often don't get the recognition that they deserve: our childcare providers, always essential for economic development. Adequately funded, quality childcare is not daycare. It is not caring for days. It is about how we care for and how we educate our precious next generation.

But as our witnesses have explained, the cost is substantial for good childcare that meets the standards, say, of NAEYC, the National Association for Education of Young Children. According to Childcare Aware, \$19,000 a year is the average cost for 2 children to attend a quality Texas childcare center, which offers more than babysitting in front of a television. This isn't plush care I am talking about, but it is care that meets the same standards that we expect to provide and do provide for our military families. But \$19,000 is about 70 percent of the median income of a single parent. Obviously, working families cannot afford to spend 70 percent of their paycheck just on childcare. Left without the availability of childcare, the parents, particularly the single mother, faces an immense barrier in going back to work.

Like some other family supports, access to childcare was totally inadequate before last year, but it has been significantly worsened, as our witnesses have just explained, by the pandemic. And dedicated childcare providers, who are always struggling to offer childcare at an accessible price that permits them to continue to stay in their small business, were greatly impacted.

One childcare owner in my area, Rosario Teran, who has operated her respected small business, Growing Imaginations, for 24 years, had to shut it down for a month during the height of the pandemic. And then, when she reopened, instead of 50 students she had 7, and would not have been able to keep her business afloat but for support from the United Way, and she is still trying to catch up.

Since still only 50 percent enroll, DaVita Clay, director of Wonder Years Preschool, which has been recognized as a four-star Texas rising-star provider, told me that she just could not have continued in business without the federal assistance and relief that we provided. When families did not -- did return to Wonder Years, one mom shared that her daughter kept singing the song she had learned from her teachers before the pandemic. It is

just one example of how our early childhood educators make such a profound impact on the children and the families that they serve that so many of these centers are struggling during the pandemic, and some of them are never going to reopen.

I think it is very important that we were able to approve \$15 billion in relief funding. There are some challenges in some states like Texas in how that is distributed. But we need to reopen safely, continue to pay staff, provide tuition and copay relief for working families.

Though they have often -- they often take center stage, we know that children are not the only families who -- family members who require care. Though the highs of new life and the lows of caregiving for partners and extended family members can put life on hold, it shouldn't put a paycheck on hold. So, in Texas, even unpaid leave under the Federal Medical Leave Act is inaccessible to 62 percent of working Texans. The FAMILY Act that our great friend, Congresswoman Rosa DeLauro, has been advocating for almost a decade would be such a big help there.

Without federal policy, so many families will be left in different state governments like the one we have in Texas, the only hope for relief coming from progressive cities like San Antonio and Austin that developed paid leave policies, only to have them face sustained attack from indifferent state Republican leadership.

Ms. Smith, I want to thank you for your important leadership in working with the Defense Department to make our military childcare the gold standard, and I very much favor bipartisan cooperation on this. I think we do share bipartisan concerns. The only problem is we get big disagreement when it comes time to pay for those concerns and see that we reach the children that we need to reach.

You mentioned a number of actions that our committee could take to stabilize and improve the childcare system. Would you just elaborate on one aspect of those? That is



investing more in the childcare entitlement to the states to support stable access to high-quality for low-income families. How can we assure that the money we invest actually expands availability, quality, and financial stability for childcare businesses, and offering parents more assistance in affording the care?

\*Ms. Smith. Thank you, Representative Doggett, for that question. Yes, I think the military has served as a really good model for how we can do this in this country. One of the lessons that we learned from doing the military and setting that up was -- is that we needed to put money into both the supply side of the equation, as well as into the parent pockets. In other words, the vouchers to help them buy care.

So what we -- what I think this committee can do with the childcare entitlement money is try to focus that money more on putting it into the supply side of the equation to stabilize these programs so that they can, in effect, pay higher wages and have reliable income to build these programs off of, and that they are not so subject to the day-to-day variations of, you know, of the income.

So I think that one thing that could happen here, and I think it is within this committee's jurisdiction. And I would suggest that this might be one area where the Ways and Means and Labor Workforce Committees get together and think about how to make this balance between the supply and the demand side.

\*Chairman Neal. Thank you, Ms. --

\*Mr. Doggett. Thank you and thank you, Mr. Chairman.

\*Chairman Neal. Thank you. Let me recognize the gentleman from Florida for five minutes, Mr. Buchanan.

\*Mr. Buchanan. Thank you, Mr. Chairman. And I also want to thank all of our witnesses.

Every region is a little bit different. I mean, in Florida we can't find workers.

Unemployment was -- a year ago, or a half-a-year ago, at 7.7. Now it is about four percent. The biggest struggle that we have got in our region is having the people available to work.

I will say also I know a lot of companies, including ours over the years, you get these exceptional employees -- or any employee, but, you know, especially a lot of women -- and they have issues in terms of paid family leave, raising children, medical leaves, the elderly parents. We have always found a way to work with them, because we can't afford to lose them, especially in this environment.

But I also hear the other side of the -- you know, different communities and different states, there are different -- you hear there is 10 million single moms raising kids. I can't imagine how they do it with a pandemic, and if they are not working. I have got two sons and seven grandkids six and under, and they have got, obviously, some support. But even with that, it is amazing, the challenges that come up, kids sick every day, and all of the other things that they are trying to work through with the school, especially now, dealing with the schools.

Ms. Smith, I wanted to let you -- give you a couple more minutes, or a minute or so, to expand a little bit more on your op ed in The Hill, because I thought it was very enlightening, in terms of what -- some of the things we might be able to do on a bipartisan basis to make this challenge a better situation than it is today.

\*Ms. Smith. Well, yes, I do think that there are so many things that -- in fact, almost everything to do with early childhood is bipartisan.

And I think when -- one of the things that we were trying to -- points we were trying to make in that article is that we -- there are a number of options, and not -- there is no one-size-fits-all for American families. And I think, if we can get together and think about multiple solutions to this complex problem that we have -- so, for example, for some families, tax policy is something that would really work for them; for other families, they

need direct subsidies and more support; for other families, you know, they do need the paid leave option.

So we think all of these are a part of the total solution for our families, and we should be looking at these things in -- you know, as a whole, not as one or the other, because when we begin to do one within -- in exclusion of the other, then there is always unintended consequences for that.

So I would urge the committee to think, bipartisan, what are all of the needs? And we have heard them here today from these witnesses. And then, how do we begin to approach this in a more thoughtful and coordinated fashion here?

\*Mr. Buchanan. Yes, and let me just add -- you mentioned in the article, as well, you can't deal with just one-size-fits-all. Every community, every state is different: the unemployment, the kids being back in school. Can you expand a little bit more, in terms of you -- the challenge you see with that?

\*Ms. Smith. Well, I think one of the things that we have seen -- and this, again, is something that we need to tackle, it has come up here a couple of times -- about schools, for example, schools are -- have made decisions to open, reopen, and it has come up here and around the country, without thinking about the implications for parents and work and childcare.

And so, when we begin to think about these things, the schools should be coordinating with childcare programs. And if they are -- if there are -- whatever their plans are, the childcare programs need to be included in that planning process. And I saw that in my home state, here, of Virginia.

So I think that, you know, again, back to the point that childcare, for many years, has been the forgotten, you know, piece of our system. And now, because of the essential workers and the things that have gone on, people are beginning to understand that. But we

still haven't come quite to the point of where we are all inclusive in our communities and in our entire system, and especially with our schools.

\*Mr. Buchanan. Do you see most of the resources going to the employees, or do you see it helping small businesses, where they might be able to provide that support, financially?

\*Ms. Smith. I -- it is a mix. I think that we are providing, through the dollars that have gone into -- since the COVID started, I think the states have done a pretty good job, actually, of trying to get money into programs to stabilize them, while trying to get vouchers to parents to go purchase childcare. I think it is -- they have tried very hard to make that balance work, and especially for essential workers.

I have heard around the country where they have set up programs close to hospitals in some states. They have done what they could to make this work for families, and I think it has been a very tough environment, but I give kudos to the states on this. It does vary because, obviously, as the COVID went through the country, it went through -- it hit different parts at different times. And so there needed to be flexibility.

I would add that Congress gave flexibility to the states to do that, and the states took advantage of it, I think, and did it well.

\*Mr. Buchanan. Ms. Smith, my time has expired.

I yield back, Mr. Chairman,

\*Chairman Neal. I thank the gentleman. Let me recognize the gentleman from California, Mr. Thompson, to inquire.

\*Mr. Thompson. Thank you, Mr. Chairman, for recognizing me, and thank you for organizing this hearing today on such an important topic and thank you all to our excellent witnesses. Your testimony was powerful, it was enlightening, and it is most certainly timely.

Today many families with young children are forced to make the choice between paying for childcare, or leaving the workforce all together, or making their kids latchkey kids, which we know is a terrible thing to do. This already-difficult decision, I believe, has been exacerbated by the pandemic. And women, in particular, have paid the price. According to one analysis that I saw, the number of women with childcare-related absences in any month more than doubled between 2019 and 2020. And, on average, women account for 84 percent of all workers who missed work due to childcare issues. And that is a five-year high.

And childcare isn't just hard to find -- it isn't just hard to afford, but it is hard to find. And I note that, in my district, before the pandemic, in one of my counties, Sonoma County, there were 12,749 kids enrolled in 608 childcare facilities in that county. By January, the number dropped by more than half; only 5,518 kids were enrolled in in that county. And just last month, only 396 of the original 608 Sonoma County childcare facilities are operating, they have been closed down. So accessible, affordable, and quality childcare is critical to our workforce and to our local economy.

So with that in mind, let me ask a couple of questions. First, Ms. Gonzalez, thank you for your testimony. It was fantastic. And much of my district is classified as a childcare desert, meaning that there are more than three children who need care for every available spot. What do you think Congress can do to support independent childcare business owners such as yourself to help close the gap between the number of kids who need care and the number of available slots?

[Pause.]

\*Mr. Thompson. I can't hear you.

\*Chairman Neal. We may -- you may need to unmute.

\*Ms. Gonzalez. Can you hear me?

\*Mr. Thompson. Yes, we can hear you now, thank you.

\*Ms. Gonzalez. Sorry. I think providing vouchers for parents, where they could just go and look for affordable childcare instead of just, like, like picking where they have to take their children.

Also, helping these providers that are closing their doors, so there could be more affordable childcare in the neighborhoods to help parents.

\*Mr. Thompson. Are there specific things that you, the provider, would find more helpful?

\*Ms. Gonzalez. I can't come up with something right now, but I will get back to that.

\*Mr. Thompson. Okay, thank you very much.

Ms. Spencer, how does the search to find quality childcare during the COVID-19 pandemic compare to finding quality childcare within your budget prior to the pandemic?

\*Ms. Spencer. It was harder because of the constraints. So when you have a young infant, of course, you want to go visit in person, you want to get, you know, the vibe of the space, figure out, you know, what their schedules are for the day. And with COVID we weren't able to do as much of that face-to-face seeking an interaction.

And so, when my childcare closed for the pandemic, there were some childcare facilities that stayed open, but it was hard for me to go and visit those facilities. So it has increased our ability to verify the safeness and the quality of childcare facilities, because we are not able to get in there, as we were before.

\*Mr. Thompson. Thank you very much.

Mr. Chairman, I have no further questions. I will yield back my time.

\*Chairman Neal. I thank the gentleman. Let me recognize the gentleman from Nebraska, Mr. Smith, to inquire.

\*Mr. Smith of Nebraska. Thank you, Mr. Chairman, and certainly thank you to our witnesses. The discussion here today, I think, is highly productive, and certainly important to our society, to our country, and to just individuals and families. It is just ever so important. So I appreciate this opportunity.

You know, I truly believe there are issues that we can agree on in a bipartisan fashion, as has been demonstrated already. I know that, you know, flexibility is key. I represent an extremely rural district. In fact, sometimes I would describe that as remote, even more than rural. I know that those definitions mean different things in different parts of our country, and childcare is just huge.

I know that, as was mentioned earlier, perhaps we could find some opportunity to work together on TANF funding and getting those funds for the folks who need it the most. I have done a little bit of work on that in the past, and that is, I think, a great opportunity.

Let me share with you a situation in my district, Valley County, Nebraska, a rural county, although they get more rural and remote than this particular county. Some providers told me how difficult it is to find childcare workers. And for example, the fingerprinting requirements would require a prospective employee or childcare worker to travel one hour each way to go through the fingerprinting process.

I would hope that we could do better with that kind of mandate or regulation, where we can still perhaps gather fingerprints more efficiently and save -- because what happens is that worker, rather than having to face the hurdles of traveling to get to -- to go through those hoops, they just find another job in town, because there are job openings. And so we tend to put up these barriers that push workers to other areas.

And quite honestly, wage mandates, \$15 an hour perhaps, that just does not solve an issue like this. You know, more federal dollars being spent, that doesn't address this issue, either.

I look at the priority legislation these days, and with the infrastructure -- and we talk about distance in geography, and that is not resolved with electric vehicles, or charging stations, or bicycle lanes, and so many of these things.

And so we are talking about childcare here, which is so fundamental, that I would hope we could make some progress on this, in terms of public policy.

Ms. Smith, I wanted to ask you a little bit -- and maybe discuss with us a little bit on the, you know, pay for outcomes.

So basically, you know, we have in place some, I think, some good examples: MIECHV, the home-visiting program that enjoys bipartisan support. And that structure that began under President Bush, Bush 43, that structure is focused on pay for outcomes, and where those objectives are set forth, and that there is considerable accountability along the way to make sure that those funds are making a positive difference. And so, Ms. Smith, I was wondering if you could reflect a little bit on that.

And then also, though, how we might determine what is -- what that success is, or how -- not just how we should measure, but really determine what success is, and not just for the childcare provider, obviously, but for the children themselves, and how we can sort through that so that we can make good decisions as policymakers and carry out the objectives that we are seeking to carry.

Ms. Smith, feel free.

\*Ms. Smith. Thank you. And let me just back up and say that your colleague over in the Senate, Senator Burr, has actually asked for HHS, the Department of Health and Human Services, to study the background check issue and come back with recommendations on this, because we do recognize that there are some issues around getting those checks done. So hopefully, without too much delay, there will be some answers proposed on how to help make that work better.



In terms of the pay-for-success model, I am pretty familiar with it. And I would suggest that the pay-for-success model, when it comes to childcare as a whole, is a difficult thing to do, in part because some of the things have yet to be defined in childcare. What -- how do we really define success in childcare?

And so we have some work to be done on that. Where I think pay-for-success could work -- and you mentioned the MIECHV program, home visiting is a good place that that might work -- in workforce development programs. So we know we have a workforce that needs more, in terms of training and professional development. You could set up pay-for-success models with the workforce.

But when it comes to the outcomes for children, it gets extremely difficult to measure outcomes because of so many variables in childcare: the income of the parents, the hours they attend, where they attend, how long they attend, et cetera, and so on. So I think that, as a model, I would focus it on the workforce or some of those provisions that we actually need to address in childcare, and hold off on childcare itself, you know, as a -- in its entirety. I don't think --

\*Chairman Neal. Can I --

\*Ms. Smith. -- that there is a fit there right now.

\*Chairman Neal. I thank the gentleman.

\*Mr. Smith of Nebraska. Okay --

\*Chairman Neal. With that let me recognize the gentleman from Connecticut, Mr. Larson, for five minutes.

\*Mr. Larson. Well, thank you, Mr. Chairman, and thank you for this very important hearing, and thanks to the witnesses for your expert and heart-wrenching testimony. You underscore so much of what we already know. But when you hear it from individuals who are actually going through the process, it really cuts to the chase, and cuts

to the core of what we have to do.

I am very proud of hailing from the State of Connecticut, where we passed the first family and medical leave bill in the nation back in 1988, and the champion of paid family leave is Rosa DeLauro. And in the United States Congress it was Senator Chris Dodd.

This committee, Mr. Chairman, under your leadership, having passed the Child Tax Credit, the Earned Income Tax Credit, the Childcare Tax Credit have been incredible incentives, et cetera. And yet it is still very clear to me, in listening to the testimony, that more needs to be done.

Dr. Edward Zigler out of Yale once said at best, he said, "Childcare in America is like a cosmic crapshoot." And with so many parents well-intended, and wanting to make sure, for all the developmental reasons that everyone has cited today, that we need to have safe, secure, affordable childcare that parents can feel comfortable with.

We heard from the testimony today that it is uneven. We also heard that, yes, and one size doesn't fit all. The question I have for you -- and Dr. Zigler used to talk about this quite a bit -- what would the panelists think about -- he called it family resource centers.

He said it is amazing to him, as we look across the country, that we have schoolhouses in every single district, and every state has schools that they utilize. Why can't we use schools as family resource centers, and have them be a continuation, as so many of you had eloquently stated about the nurturing and development of children, starting from birth until they get to kindergarten, with the options of parents knowing that this is safe, affordable, and when it comes to brick and mortar, something that is already there, that is already heated and cooled, and has facilities, or that could be expanded on, and done, what Zigler proposed, in a very thoughtful and progressive long-term way?

So if we could start with the panelists, and just go through and ask you what you think of Dr. Zigler's proposal, or if you think it is practical, or would make sense, or

something that we should pursue, hopefully, on a bipartisan basis. And so we will start with Ms. Gonzalez.

Any thoughts on that?

\*Chairman Neal. Ms. Gonzalez, would you unmute, please?

[Pause.]

\*Chairman Neal. While we are securing that --

\*Mr. Larson. How about Ms. Spencer?

\*Chairman Neal. -- why don't we -- Mr. Larson, you could perhaps direct a question to another witness while we await --

\*Mr. Larson. How about Ms. Spencer?

\*Ms. Spencer. Yes, so I have been a longstanding advocate for making sure we have true community collaboration in schools, and I think that sounds like a good proposal.

I will say this, that families, school personnel, a lot of stakeholders in our community want to see families thrive. The passion is there, the resources are not. So we just absolutely need the resources to support the infrastructure so communities can get in there and supplement some of these gaps.

\*Mr. Larson. Ms. Braga?

\*Ms. Braga. Well, LAUSD has parent centers, where parents can go in and also help volunteer at their school sites. But even then, the person, or the liaison for the parents, who are part of our membership, it is hard for them to be able to stay at the school site during the school hours. So they also have reduced -- they have reduced their hours sometimes. So that is one of the struggles we had, is that if the school sites are not funded fully, you know, these community centers at the school sites won't be able to give the assistance to these parents who actually want to be involved in their students' lives.

\*Mr. Larson. Thank you. Ms. Moon?

\*Ms. Neitzel. I think family resource centers are a great idea at schools.

I also think that just cash support from the federal government to a diversity of childcare programs is absolutely necessary. I sit on the board of a preschool, and that program could offer so much more if there was more support to open more spots for low-income working families. And --

\*Mr. Larson. Thank you.

\*Ms. Neitzel. Sure.

\*Mr. Larson. No, that was a --

\*Chairman Neal. Thank you.

\*Mr. Larson. Ms. Smith?

\*Chairman Neal. Why don't we give Ms. Gonzalez a chance to answer, if she has been able to correct her technical difficulty?

[Pause.]

\*Ms. Gonzalez. Can you hear me now? I apologize for that.

\*Chairman Neal. Please.

\*Ms. Gonzalez. Okay, so I would say that family resource centers don't replace family childcare, no replacement for family childcare, but a good idea. And family will always choose family childcare, so we need both.

\*Mr. Larson. Thank you.

Ms. Smith?

\*Ms. Smith. Yes, and thank you for bringing up Ed Zigler's name. He was a dear friend, and he was an unbelievable --

\*Mr. Larson. Giant.

\*Ms. Smith. -- giant in early childhood. There is no question.

Yes, I thought a lot about Ed Zigler's model, and I think there is a lot of merit in

looking at it. There is actually an example in Tulsa, Oklahoma that we can look at where, I think in Tulsa, they have put childcare centers next to schools, I think, in about 13 locations, if I am not mistaken. And so parents can drive into childcare, and then continue on to the school.

The other thing that I think Dr. Zigler was trying to get at was attaching childcare programs in some way to schools to get them the kind of support and stability that we are talking about here. I think one of his --

\*Chairman Neal. I thank the gentlelady --

\*Ms. Smith. -- his vision was to get at that issue, and I think that there is room for both childcare centers and family childcare homes to have some type of affiliation with our school systems to make these transitions work for parents.

\*Chairman Neal. I thank the gentlelady for her --

\*Mr. Larson. Excellent advice, thank you.

\*Chairman Neal. I thank the --

\*Mr. Larson. I yield back, Mr. Chairman.

\*Chairman Neal. Thank you. Let me suggest to members, if we could, perhaps accommodate the five minutes that we have all been trying to adhere to. It would be helpful to make sure that everybody has a chance to ask questions and have our witnesses answer them, as well.

With that let me recognize the gentleman from New York, Mr. Reed, to inquire.

\*Mr. Reed. Well, thank you, Mr. Chairman, and thank you to our witnesses. And what I would like to start with is -- it was asked -- what could Congress do best to help alleviate this childcare crisis?

And I would say, coming from my side of the aisle, one of the things I would want to ask is what could the private sector do best, or improve upon, in order to solve this

problem. And so, from a private-sector basis, what I would ask -- maybe start with Ms. Smith -- what should we be focusing on in Congress to encourage the private sector to be in a position to help alleviate this concern, rather than just always relying on the government to be the solution to these problems?

\*Ms. Smith. Yes, thank you for that question. We actually have been having a series of conversations with businesses around the country on this issue, and what is their role in childcare. And I think their role is -- probably depends on the size of the business. It is easy for a businesslike IBM to be more engaged in childcare than it is a small operation on Main Street that has 10 employees.

What we heard from businesses, though, and particularly small businesses, is that tax incentives do work for them. So if there is a way to think creatively about how businesses can -- small businesses, now -- can be encouraged through some type of incentives to do more with supporting childcare for their workforce, I think that would be helpful.

I also think that there is -- there are other things that could be done, in terms of childcare. But I would offer that there is caution on this, because the changing workforce and where people are going to work is going to change the role of employer-provided childcare in our country. So if a business goes back two days on site, three days off, a parent is not going to drive to a business to take their child to a center when they are still at home for the rest of the week.

So I think these things need to get sorted out in -- as we move forward and look at the future of work, as well as the -- what business's role might be in that new paradigm.

\*Mr. Reed. So, if I could, Ms. Smith, what I am hearing -- because tax credits are, essentially, a government type of toolbox in the toolbox in order to encourage. But, from a private-sector basis, we should be talking to the private sector and saying, hey, look, as we

have this new workforce, as we have this new work model, really try to get out ahead of it, and try to encourage businesses to think creatively on how they can use that new workforce, that new skill set, is what I am hearing you say.

And say -- you know, maybe -- the best childcare, I have always believed, with a single mom who raised 12 of us at home, is she wanted to be there with us, as a mother, to guide us 24/7, to be there, to raise us as she saw fit, as our mother. And really, to take that type of relationship, rather than a childcare setting, which -- I mean, God bless childcare providers, they are true heroes, and they do yeoman's work, but nothing replaces that of a mother or a father providing that care and guidance, in my opinion, that my mother provided us.

So the more -- to encourage workers, or to encourage employers so that workers can have that experience and that bonding environment with their child, is what I am hearing you to potentially be out in front of. And to talk with employers, and to talk with employees, and encourage employees to talk to employers about, hey, you know what, I really would encourage you to allow me to work at home, or to allow my child to participate with us in regards to whatever work demands that I have, and to have that to be taken into consideration with my work schedule, rather than a 9:00-to-5:00 schedule, something that accommodates the school schedule, that accommodates the new flexibility, is that something that is reasonable, as a non-government type of policy or initiative that maybe some of us, as elected officials, could utilize to kind of share that and encourage employers to consider?

\*Ms. Smith. I think it is. We are having a lot of conversation with businesses around the country, both big and small, and had a conversation last week with several major businesspeople in this country. And I think they are now beginning to understand the issue much better.

And I think that, you know, calling them to the table and getting their ideas out there, they are thinking about it. And I think they are just now beginning to, you know, beyond the -- just providing care on site, beginning to try to think through how they can make this work for their families. So I think there is a lot of room for conversation with businesses in this country, and a lot of creativity that is there that we haven't tapped into yet.

\*Mr. Reed. And Ms. Neitzel, your testimony kind of struck a kind of -- you are an employer who is also a mother who is providing for your children. As an employer, would a non-government solution, encouragement type of -- would that be something you would be open to in your -- it seems like it would be. If we did --

\*Ms. Neitzel. It is not --

\*Mr. Reed. -- public service announcement type of effort?

\*Ms. Neitzel. No, absolutely not.

\*Mr. Reed. You don't want the -- you don't want that type of encouragement from government to your -- to encourage you to talk to your employees about having a new work schedule, or to accommodate your workers to have them have that childcare relationship with their children?

\*Ms. Neitzel. My employees have wonderful relationships with their children, but they cannot have their children with them while they make ice cream in a commercial kitchen, or scoop ice cream for customers.

\*Mr. Reed. So maybe I -- maybe you didn't understand what I was saying. What I am saying is there is -- not to have them on your work site, but to -- like a -- to adjust their work schedules, to work with them in regards to, you know, when their children are home and not working, going to school, so that they would work. Would you be open to that?

\*Ms. Neitzel. We absolutely --



\*Mr. Reed. Oh, is my five minutes up? I am sorry, Chairman.

\*Chairman Neal. Yes, it is, Mr. Reed, but I am going to allow the witness --

\*Mr. Reed. Okay.

\*Chairman Neal. -- to finish her answer.

\*Ms. Neitzel. I and many small business owners and large business owners work with our employees all the time on their schedules to be able to meet the needs of their families.

\*Chairman Neal. Thank you.

\*Ms. Neitzel. But the most --

\*Chairman Neal. Thank you.

\*Ms. Neitzel. -- efficient thing for our businesses and our employees would be a very low-cost payroll tax that would fund -- or any kind of tax -- that would fund the federal government to provide paid family leave and childcare for all Americans.

\*Chairman Neal. I thank the gentlelady. Let me recognize the gentleman from Oregon, Mr. Blumenauer, to inquire.

\*Mr. Blumenauer. Thank you very much, Mr. Chairman, and I would like to sort of pick up where my friend, Mr. Reed, left. But I will say that I found the testimony, once again, jarring.

I mean, I am -- I have four grandchildren. I have -- they have two sets of working parents, who are relatively well off. They are all employed, well educated. And just thinking, for example, about the woman with quadruplets, my four kids and their spouses, with the four grandchildren, it is just mind-boggling to me to think about what people are engaged with.

My dear friend, the ranking member, talked about some things that we have done, sort of incremental things around the edges. I am pleased that there is greater awareness

about the need of investing in early childhood education and providing family support. Mr. Chairman, our committee, I think, has done yeoman efforts with the tax credits to put more money in the hands of families.

But it seems to me -- and the witnesses' testimony today suggests -- that that is really not a substitute for something that is comprehensive, that deals with the needs of families for childcare availability and affordability. It is -- I would hope that we can think about how we do this in a comprehensive fashion.

We are, as you pointed out, Mr. Chairman, and others in the committee, we are the only industrialized nation that doesn't provide that support for our families, even though we recognize collectively that it is so very, very important.

And in the midst of this COVID crisis, it has spotlighted the fragility of the system, the gaps, and the pressures, particularly on low and moderate-income families, people of color, single moms, as we have heard today.

I am all in favor of finding big corporations that are going to invest more in their employees, and to provide those childcare needs. But most of the people that I am concerned about are not employed by large corporations that have the resources. And even in those cases, I think it is a scramble.

I would like to, just if I could, turn to Ms. Neitzel.

If you wanted to elaborate on -- I think you were giving an excellent answer to my dear friend from New York about why incremental efforts here are going to fail meeting the people who need it the most. Would you care to elaborate on that a little bit?

\*Ms. Neitzel. Sure, thank you. Our state program here in Washington State, I think, is an excellent example of what could be and should be happening with the federal government for every American. I pay a tiny payroll tax into a fund that then is made available to every Washingtonian for paid family leave or paid medical leave to care for a

parent, a child, or themselves. And the premiums that I pay annually add up to less than it cost me to pay for my assistant to go on maternity leave when she had a baby four years ago.

So I couldn't -- I used to worry so much about whether or not multiple employees would have babies in a year, because the budgeting was absolutely unpredictable. Now I know what my premiums will be to pay into the equitable system across our state, and I know that every one of my employees will have access to that leave when they need it.

\*Mr. Blumenauer. And I assume that you are concerned also about access to affordable childcare. Do you think some sort of comprehensive approach from the federal government would be important?

\*Ms. Neitzel. Yes, and I see this from both ways. I am on the board of a preschool. I also pay \$25,000 a year for the tuition for that preschool for my 3-year-old. And I -- it was surprising to hear that 2 children can be in care in Texas for \$19,000 a year. I pay more than double that.

And I think that facilities, childcare providers, need help from the federal government to increase capacity and to pay their workers living wages.

I also think families need some kind of voucher or subsidy in order to choose where their child is cared for.

\*Chairman Neal. Thank you.

\*Mr. Blumenauer. Thank you so much. My time has expired. I appreciate your response.

Thank you very much, Mr. Chairman. I appreciate your patience.

\*Chairman Neal. I thank the gentleman. Let me recognize the gentleman from Pennsylvania, Mr. Kelly, to inquire.

\*Mr. Kelly. Thank you, Chairman Neal and Mr. Brady. This is really a great panel

to have before us. And I want to thank all of you for participating.

I think there is a real difference here in the way we look at things, and I would just tell you that sometimes we think that, if we were just able to put more money out there, this would solve the problem. And as you all know, Congress just approved more than \$50 billion -- that 50 billion, with a B -- in new funding for a childcare act.

Now, the bulk of that money hasn't yet reached these childcare providers and families, but I am just suggesting, being a small business owner myself, and an operator in a family business that was started in 1953, the challenge has always been for small businesses, how do you attract talent and be able to retain talent in your business, when your competition, a bigger business, bigger corporations, are able to do things that small businesses can't do? And I always wonder. So, going forward, how do we do that?

In the 115th and 116th Congress, Congresswoman Sanchez and I introduced the Working Families Relief Act, raising the dependent care assistance amount from \$5,000 to 10,500, and we also introduced bipartisan, bicameral legislation, along with Senator Deb Fischer, to provide for an employer tax credit for paid family and medical leave, which was included in the tax reform bill in 2017, and subsequently extended in 2020 to 2025 by President Trump, who signed that into law.

But I keep looking at what is it that we go forward? Now, thankfully, I look at my personal experience, and I had the advantage of having a nuclear family that raised me, and both my mother and my father were involved, from the time of my birth until the time I finally left home and went out on my own, in helping to raise us. And I keep wondering, so as we look at what is going on, please tell me what else is working anywhere. And I am not just talking in the United States, and I know tax policy is fine for some people. For other people, it doesn't have an effect. So what is the role that we could play?

And I know, Ms. Smith, we have been coming back to you consistently, asking you.

But Ms. Neitzel, I appreciate the conversation you just had, being a small businessperson. Look, providing benefits for the people we work with every day, for our teams, are absolutely incredible to keep us on the front line of being able to compete. But also, as we increase our benefits, it also increases the price of our product, or goods, or services that we provide. And in a highly competitive business, it is difficult to look at that.

I just want to find out from you all, who do this every single day, and the worries that you have, what else could we do that we are not doing right now?

I think tax policy is one thing, but I think, if our concern is truly making sure that the greatest asset we have is our children moving forward, what else can we do to make sure that they are getting the care that they need in a highly competitive economy right now?

Any one of you can jump on that right away.

I know, Ms. Smith, you have been doing a lot of the work, but Ms. -- please go ahead.

\*Ms. Neitzel. I will go myself. So since I have had a paid family leave policy, I have been able to compete for management talent with Starbucks and Costco, because I am offering a benefits package that is more similar to what those candidates are seeing at larger firms.

And so I think, when government can level the playing field between a small business like mine, that is one of the fastest-growing companies in Washington, and those big, big employers here in Seattle, we -- it does everyone good. And it has lowered my business costs and put more money into my business that I have been able to use to grow my company.

\*Mr. Kelly. Yes.

\*Ms. Neitzel. Because --

\*Mr. Kelly. Ms. Neitzel, can I ask you a question? Because I think we are in the same type of business. We don't have a -- I don't have a roster that deep, deep, deep in talent. And when somebody goes on family leave, or leaves the business to do something else, we lose their production that day, and we try to offset it somehow. That is a huge challenge. That is a huge challenge. How do you handle that in your business?

\*Ms. Neitzel. Yes, it is a big challenge. I am, fortunately, a big-enough organization that I have someone else who can do that person's job. But because of the state family leave program, I only have to pay the person doing the work, not the person home with their child, or home taking care of themselves and the person doing the work.

\*Mr. Kelly. Yes. How do you find the talent, though, to fill in?

\*Ms. Neitzel. I have them. I have about 155 employees, so we can move things around.

\*Mr. Kelly. Well, I am glad you have that advantage. I do not. And I think most small employers don't have the ability to rotate their rosters and say, okay, you are going to be able to leave, and we will have somebody else who can slide into that position. It is a huge challenge for us.

But I would just submit the answer is not putting more money forward. So right now, we are at \$50 billion. Not a lot of it has been spent yet. But I think we need to take a look at how we can get a better return on that investment, not just for the people that supply the money, but for the people that need this benefit taken care of. So thank you so much.

Chairman, I yield back.

\*Chairman Neal. I thank the gentleman. Let me recognize the gentleman from Wisconsin, Mr. Kind, to inquire.

\*Mr. Kind. Well, thank you, Mr. Chairman. Mr. Chairman, thank you for holding

such an important, timely hearing, and great compliments to all the witnesses who have done a terrific job today.

Mr. Chairman, you know, I am in that category where demographics is destiny for our country. And unfortunately, our aging demographics does not bode well, as far as workforce participation in the future.

If 70 million Baby Boomers beginning their massive retirement, 10,000 people a day, we don't have a baby boom following behind them.

We have a messed-up immigration policy that is not meeting the needs of the skilled and unskilled workforce that we have.

And we have seen, through the COVID crisis, where the disproportionate burden really fell on the shoulders of women in the workforce. They were devastated this past year. And I think one of the keys to future economic growth for us to hit our GDP targets is we have to make participating in the workforce easier for people, especially women.

That means paid family medical leave. That means access to quality, affordable childcare, so they can maintain their child-rearing responsibilities -- and let's face it, that is still primarily on the backs of women in today's society -- so that they can do elder care, family care, making sure that, if you have a sick child, you don't have to worry about losing your job, for instance.

But Ms. Neitzel, let me ask you, because the ranking member, at the beginning of the hearing, alluded to the fact that perhaps those states that are offering paid family medical leave is also discouraging, or acting as a deterrent to women participating in the workforce. Are you finding that at all, with the benefits that you are offering, or the state that you are operating in, that paid family medical leave is a deterrent for women to join the workforce?

\*Ms. Neitzel. No. I know, from my experience as an employer, that when we have

offered paid family leave, folks have stayed connected to our company.

And I think that Ms. Spencer's testimony also went to that, that when you have to leave a job because you need to care for someone or yourself, it kind of sets your career back, hugely. But it also does a big disservice to me. And I don't lose employees anymore when they need to take care of themselves or their loved ones.

\*Mr. Kind. Ms. Gonzalez, let me ask you, as the owner of a couple of childcare centers yourself, I can't imagine how challenging the last year has been to keep your businesses operating.

First of all, did you qualify for the Paycheck Protection Program during this time at all?

\*Ms. Gonzalez. Can you hear me?

\*Mr. Kind. Yes.

\*Ms. Gonzalez. Okay, thank you. No, I did not. I think small businesses are not, like, entitled to family leave. I am not sure, but I did not.

\*Mr. Kind. Okay. Let me ask you -- it deviates a little bit from the purpose of the hearing, but, you know, there is a difference between childcare, preschool, Head Start. I know I visit a lot of my Head Start centers in Wisconsin, and they now are mandated to be offering some quality educational programming with the kids, too.

What is being done on that front with childcare providers, is there some instructional content that these children are receiving?

And is that something that we, too, should be looking into?

[Pause.]

\*Mr. Kind. Ms. Gonzalez?

\*Ms. Gonzalez. I am sorry. When you said about what -- can you repeat the question? I am sorry.



\*Mr. Kind. Yes, about, you know, just quality educational content at the childcare centers. Is that something, too, that we need to be paying attention to?

\*Ms. Gonzalez. Sure.

[Audio malfunction.]

\*Mr. Kind. You might be breaking up just a little bit, but let me just finish with Ms. Spencer.

Again, if we have policies nationwide that has paid family medical leave, quality, affordable childcare, do you think, based on your experience, that this is going to make it easier for women to participate in the workforce?

\*Ms. Spencer. Absolutely. Women want to be at work. We want the means to take care of our child.

And the main part, in order to get a return on investment, the first thing we have to do is invest. And so investing in the ability for us to increase the quality of our life is going to increase the quality of folks that you have for the workforce.

\*Mr. Kind. Great, thank you. Thank you all very much today.

Thank you, Mr. Chairman. I yield back.

\*Chairman Neal. I thank the gentleman. Let me recognize the gentleman from Missouri, Mr. Smith, to inquire.

\*Mr. Smith of Missouri. Thank you, Mr. Chairman. As I have said before, I believe that the family is the bedrock of our nation. When we have strong family units and federal policies that strengthen these ties, we are much stronger as a country. This includes by ensuring a new mother can make ends meet while caring for her newborn child. It includes finding ways to ensure childcare is affordable and, more importantly, that parents have the flexibility to choose the childcare arrangement that works best for them.

The median household income in my district is \$45,000, one of the most working-

class districts in the nation. What I hear consistently from them is that they want less taxes taken out of their paycheck, and less interference in their daily lives from politicians in Washington.

Let me tell you about a woman in my district who received a very sizable bonus at Moe's in Rolla, Missouri, as a result of the Tax Cut and Jobs Act. She was able to use this money to purchase a new car seat for her toddler, because her old car seat was broken.

I can also tell you about a bank teller in Hartville, Missouri, who told me that, because of the Tax Cut and Jobs Act, the bank she works for was able to pay all of its employees a starting wage of at least \$15 per hour. This would not have been possible without Republicans' investment in Main Street businesses and middle-class families.

Childcare and paid family leave should be a bipartisan issue, and I would like to pledge to work with you to find common ground. But what I will not support are any new taxes on businesses or middle-class families to pay for reckless spending. This will stifle economic growth and will not help us recover from this pandemic. This spending must stop.

Our debt is becoming unsustainable, and the Democrats' logic on more multi-trillion-dollar bills is like an alcoholic trying to drink their way out of alcoholism. I am concerned that what we are going to end up with is the wrong place at the wrong time for all the wrong reasons.

Ms. Smith -- by the way, a wonderful last name -- with the additional funding for childcare block grants that was included in the COVID relief packages, do you see states being able to increase eligibility limits, and make copays more affordable for low-income families?

Many families in my district receive childcare subsidies which allow them to choose their provider using a voucher. I think we should preserve this type of parental

choice to make sure parents can choose the childcare that best fits their unique family needs, including home-based family childcare. As you can imagine, this benefits moms working jobs with non-traditional hours and rotating work schedules.

How can we preserve and build on these important program components in the future?

\*Ms. Smith. Well, in answer to your question, in talking with a lot of states, most states are increasing the eligibility, and they are also waiving copays and trying to increase the rates paid to providers. And it is a combination of these three things that needs to happen.

I think everyone supports -- I don't know anyone in early childhood who does not support parent choice as a fundamental belief for childcare, because parents know their children best, and know what setting is going to work for them. I went through that as a parent, myself.

I think what we also have to think back to is what I opened with, in terms of how do we both preserve parent choice and stabilize the supply of childcare. And that where the -- we have an imbalance in this country. And I think that is where we need to focus our attention, so that we can actually keep these people in business with some assurance that they are going to have the income they need to keep going and pay their workforce.

So I don't think that we need to have a debate, but we do need to look at both sides of the equation. And certainly, to your point, parent choice is critical in all of this.

\*Mr. Smith of Missouri. Thank you, Mr. Chairman, I yield back.

\*Chairman Neal. I thank the gentleman. Let me recognize the gentleman from New Jersey, Mr. Pascrell, to inquire.

\*Mr. Pascrell. Mr. Chairman, good job. And members -- and we couldn't have a better panel, the entire panel.

But let me tell you something. They bang on the table about bipartisanship. I don't know what I just heard, maybe I was on another planet or something. I mean, that was not bipartisan. My friend from Missouri has a lot of great ideas, but for crying out loud, you have just pushed me further away, I want you to know. Thank you for your bipartisanship.

If we are not painfully aware during the last year of this pandemic, today's testimony shows that childcare and paid leave are essential.

New Jersey is one of just three states that has a paid family and medical leave law, despite Congress providing some temporary paid leave options to many families struggling to care for their children. The pandemic completely crushed women in the workforce: 1.9 million women were forced out of their jobs since the beginning of the pandemic. Many working mothers have cut their hours or left work completely to care for their kids.

Women more than doubled work absences related to childcare from 2019 to 2020. Just think about that, and the consequences and implications of that number. Women accounted for 84 percent of all workers who missed work in an average month, because of childcare issues. Just think about the consequences of that.

These figures are staggering indictment, even before the COVID-19. And I say it is an indictment of Democrats and Republicans. Even before COVID-19, access to quality and affordable childcare was difficult. Over the last year, there has been a greater demand for childcare workers than ever. And yet, with added pressure, they are still paid minimum wage in most states.

In fact, we see this as the major problem when we talk about our senior citizens in nursing homes. It goes back many times to the same subject: who is going to pay the bill? That we could debate here.

These are essential workers. Or are they? Nearly all of them are woman, and mainly women of color. They are not paid what they are worth, that is what I say. Maybe

you don't. Maybe you believe they are not worth that money that they should be getting. Say so.

Many of those with childcare and early education qualifications are taking their skills elsewhere, I got news for you. So we are going to be missing a million nurses in 10 years? How many workers that do what they are doing now with childcare are going to be gone?

A major childcare provider in the City of Passaic, New Jersey, in my district, told me that relying on the funding from state subsidy reimbursement rates and private-pay clients makes it a huge struggle to offer staff more than minimum wage. If we only look at our state-funded young preschool program, the hourly rate we are able to pay those teachers is \$15. While we are trying to make significant changes, starting with our fiscal year 2022 budget, the challenges for those of us in low-income communities, we have no way to raise rates to be able to pay our staff more.

And I am tired of hearing many of you speak about, well, those people better know how to manage better. A lot of these mayors are working -- Republican mayors and Democratic mayors -- with the worst consequences in a changing economy, and it is not easy to balance the budget. The rise of providing a living wage is looming larger for us.

You know, Ms. Smith, you made so much sense in what you said today. I want you to know that. But I was particularly interested in your testimony when you said, "As we emerge from the COVID experience, these policies are critical to mitigating the disastrous impact the past year has had on working parents, especially moms. Discussions about the future of childcare need to include a consideration that the future of work may look different than what we are traditionally used to."

Simply adding funding to the current childcare system will not address -- and that true. But the structural challenges that existed prior to the pandemic, you know, will it help

move the system into the post-COVID period?

And as we know, Mr. Chairman, that the COVID was horrible, but it peeled back for us to see and expose the major problems in health care in this country. So I believe some growth is going to come out of this, and I believe we can work in a bipartisan fashion. Thank you, Mr. Chairman.

\*Chairman Neal. I thank the gentleman. I thank the gentleman. Let me recognize the gentleman from California, Mr. Nunes, to inquire.

\*Mr. Nunes. Thank you, Mr. Chairman, and I want to thank all of our witnesses here today.

California has implemented some of the nation's most restrictive COVID lockdown measures, often without releasing any scientific data to justify its seemingly arbitrary decrees. Even today, California's public schools have not fully reopened, despite COVID cases plummeting throughout the state in recent weeks. I fear these restrictions have significantly damaged our children, since we can all agree that our kids belong in the classroom.

As a father of three young daughters that are all in school, they are finally -- they were two days a week, now they are four days a week, and it sounds like they are only going to be four days a week for the rest of the year, and those are half days.

So absent opening these schools, we need to focus our efforts on expanding access to childcare, particularly faith-based facilities. Faith-based childcare facilities play a pivotal role in my area of California's San Joaquin Valley, with affordable, safe, and reliable care. Unfortunately, COVID -- California's COVID restrictions, including restrictions on indoor worship -- and it was so discriminatory that the Supreme Court of the United States actually struck them down -- having caused irreparable damage to the state's faith-based childcare facilities.

I want to turn and give an opportunity to Ms. Smith, because she has done a lot of research on this. And according to Ms. Smith's faith-based childcare organizations, they play a critical role in our childcare system. The research that Ms. Smith has done shows that, in January of 2020, 31 percent of the single-parent or two-working-parent families that use center-based care went to a faith-based childcare organization.

Your research also found significantly more faith-based children's centers were closed at the height of the pandemic in August of 2020 than non-religious-affiliated organizations. So, Ms. Smith, thank you for the research you have done on this. I think it is an important percentage that -- to know that 31 percent, according to your studies, 31 percent of children are -- because of faith-based, and I know you have done a lot of work on that.

So, Ms. Smith, can you just expand on that 31 percent, and the work that you have done, and the sources of your study?

\*Ms. Smith. Yes, and that is -- let me just clarify one thing. It was 31 percent of parents use center-based childcare in this country. And of those, roughly half, are -- of them are faith-based. So it is actually about 16 percent of parents who are using faith-based childcare.

This -- we are doing a lot of work with the faith-based community, trying to get them to the table, and to understand exactly the needs and the barriers to what they are working on. We have had a number of roundtable discussions with faith-based, with both parents and providers, and we will be issuing a report, just so you know, in about two weeks on that -- on what our findings are.

We consider faith-based to be an important element of our -- or component of our childcare system, and one that needs to be brought into the conversation and to the table, in terms of what it is.

Without exception, the people that we have talked to are interested in doing quality -- in meeting quality standards, in meeting the needs of their parents. The parents are interested, on the other hand, in the values of what is, you know, sort of associated with their faith-based providers. So there is really a win-win.

We don't know exactly why faith-based programs have closed at a higher rate than - according to parents -- than other childcare centers, and it is something that we are trying to look into, and hope that we have more of an answer soon. But we think that it has something to do -- back to the issue about low profit margins for childcare programs across the board, that there just isn't enough funding to keep them alive.

And so I think that, as we move forward -- and again, I just say that we need to bring faith-based providers to the table, we need to understand the challenges that they have in providing this care, and we need to recognize that parents value it.

And then, where do we go from there? How do we make this work better for all of the components of care? And I think that faith-based is one of them.

\*Mr. Nunes. I agree, Ms. Smith. Thank you for your work. The faith-based organizations are also nonprofits in many cases, and work with nonprofits. And I know, in my part of the world, if it wasn't for the faith-based and the nonprofits combined, there wouldn't be a whole lot of childcare. And I would say that the childcare we do have, those organizations do have, is quite good. My three children were all in similar types of care.

So thank you for your time and, Mr. Chair, thank you.

\*Chairman Neal. I thank the gentleman. Let me acknowledge and -- Mr. Davis, the gentleman from Illinois, to inquire.

\*Mr. Davis. Thank you, Mr. Chairman. I want to thank you for calling this very important hearing, and I want to thank all of the witnesses for their testimony.

You know, I was thinking it is quite refreshing to hear from working mothers,



working women, who are also expressing their own experiences, in their own words, what their needs are, because there are so many women in the workforce, and are the frontline caregivers for their families. They should not be forced to choose between working or caring for their loved ones. This unjust choice has a devastating effect on women, their children, their families, and our economy as a whole.

Childcare and paid leave helped keep our economy moving forward, and I think they are the foundation to growth and success. For example, if a grandmother caring for her autistic grandchild can't afford quality childcare, she steps back from the workforce to provide that care herself. If a parent with a child or relative with a serious health condition can't take time off to help in a period of great need, she separates herself from the labor force, weakening her family's income and the nation's economy.

So I think that we must level the playing field for all families, and ultimately provide universal childcare and paid leave, of course, now. This is not a woman's issue, it is not a Republican issue, it is not a Democrat issue. It is an American issue. And universal childcare and paid leave must keep -- and it does help keep -- America working.

Ms. Spencer, let me ask you. I was intrigued with your testimony. At one point you talked about finding a better job, or a higher-paying job, and at the same time your parent fee went up or tripled. Could you talk about how much of a struggle it was for you to actually pay the fees for childcare?

\*Ms. Spencer. Yes, thank you for that question. So while we are, you know, always grateful to be employed, it is this kind of, like, a double-edged sword, where -- so, for context, I had a job paying about minimum wage, and then I landed a job at a local government paying about \$15 an hour. And that caused my parent fee to more than triple, to go from about 100 to \$350. What that caused me to have to do was cut back on everything that wasn't an absolute necessity, even, like, my trips to the grocery store. I

couldn't do grocery -- I just had to pick up the essential items.

I did apply for SNAP benefits, but I made about \$200 over the limit, and so I was denied.

My laundry piled up. I couldn't go to the laundromat as much. I had to depend on family and friends for basics, like my baby's shoes and clothes, as she was growing really quickly.

And I think the most devastating thing that happened is not being able to fill the gap of supplemental needs, like car repairs. I actually ended up losing a car and losing my transportation. As I was waiting for my next paycheck to get an oil change, my engine actually failed. And so it was very, very difficult to juggle basic needs during that time, knowing that I had to prioritize childcare, because, if I didn't have that, I wouldn't be able to go to work and do anything at all.

\*Mr. Davis. Thank you very much.

Ms. Moon, in my district in Chicago we spend a lot of time in -- with kinship care, families helping out. And I think there are some policies that are restrictive, in terms of who can receive any kind of assistance or payment. Do you think it might be good if we were to think more about funding and contact, as opposed to the legal description of who provides the care?

\*Ms. Neitzel. Yes, and I think that important, both for family leave definitions and definitions of childcare providers.

\*Mr. Davis. Thank you very much. I think my time has expired.

Mr. Chairman, again, thank you for a very important hearing.

\*Chairman Neal. I thank the gentleman. Let me now recognize the -- Mr. Schweikert to inquire.

Would you unmute, Dave?

\*Mr. Schweikert. Oh, I am so sorry. Mr. Chairman, do you have me?

\*Chairman Neal. I have you.

\*Mr. Schweikert. All right. Look, and thank you for the hearing, Mr. Chairman. I am going to actually ask for both my Republican and Democrat colleagues to think slightly differently on our subject here. And that is, how do we make working peoples, particularly the working poor, their labor, more valuable, whether you have a child that is daycare age or not? Because if we can make labor more valuable, you know, the progression of your ability to move up in organizations and gain skills, but actually be able to afford functionally surviving in our society, is really important.

And I know that is a much more global view of childcare, particularly for young children who will have to be part of this. But it has got to be more than just these piecemeal type of concepts of, okay, I have a child under five, so therefore I need this type of daycare, but at six they are in public schools. How about something where we are also, first, focusing on what in the United States makes your work valuable, your talents, your labors -- whether you have great skills or not, you know, every worker should be valued.

And, Mr. Chairman, with your permission, can you believe this, I have a number of graphs that I would like to submit for the record, and a number of them are --

\*Chairman Neal. I don't know if the record can include all of them anymore.

[Laughter.]

\*Mr. Schweikert. Hey, I didn't at least print these on the big boards, so give me a small break there.

But I really --

\*Chairman Neal. So ordered.

[[The information follows:](#)]

\*Mr. Schweikert. Because you know I have a passion on the concept of how do we make poor people less poor, how do we make the working poor dramatically more prosperous. And through that path we saw a tremendous number of societal problems. And that -- when I say making labor more valuable, that for the daycare worker to the mom that is actually trying to afford it.

And Mr. Chairman, with your permission, I will submit some of these charts that sort of talk about the miracle that was happening in 2018 and 2019, where we saw -- you know, one of the charts here -- African-American females in the country were seeing double-digit wage growth. And if we had been able to keep up that value of their labor, what that would have meant over just a few years of them getting a fair, much more prosperous wage, and the things we need to do -- more of that.

And Ms. Smith, I have an odd question, but there has actually been some very creative folks talking about daycare, and they are not necessarily Republicans or Democrats, they are more like Silicon Valley types, talking about everything from a financing model at a state level, where it is almost a daycare co-op model, down to the local neighborhood co-op model. Have any of these things ever come in front of you to actually be sort of vetted and looked at?

\*Ms. Smith. I am not familiar with the co-op model that you may be describing, but one of the things that I do think, in terms of -- and actually would like to put in front of the committee -- is if you -- you know, what you are talking about in terms of this, the workforce, I would love to see this committee take the childcare workforce as a case study in how do we deal with this.

The childcare workforce is pretty well educated, actually. Over half of our workforce have an AA degree or higher. So it is not that they are not educated or trained, and it is part of the reason we can't keep them, because the pay remains so low that over

half of them qualify for public assistance. So as we start to look at this thing, I actually think that a case study of childcare workers might be something worth taking up.

But to your point, I do think that there should be no model off the table at this time, that we have challenges, we have had them for a long time, they existed before COVID, they were exposed as a result of COVID, and now we need to be thinking globally. How do we actually deal with this? And I don't think any idea should be off the table at this point.

\*Mr. Schweikert. Thank you, Ms. Smith.

And Ms. Spencer, I am so sorry, I have talked too much, and I am using -- because I wanted to touch a little bit on your story. And in a weird way, your story is exactly what I fixate on. You were making progress in your career path, and then the number of stresses took you away from that.

How -- and I am hoping, maybe if we do another second round, or we -- I can convince the chairman in the future, what do we do to make your talents, your skills valuable? And that value is how, whether it be a sick family member, or a child, or just needing more education, those things, we need to make it more valuable, instead of just saying, oh, I have a child under five, therefore I get these benefits.

I think we need a much more grand, global -- of every American, and whether they be high-skilled or low-skilled, we make our labor have an economic need.

So with that, Mr. Chairman, I yield back.

\*Chairman Neal. Thank you, and the gentleman's request will be included in the record.

With that let me recognize that gentlelady from California, Ms. Sanchez, to inquire.

\*Ms. Sanchez. Thank you, Mr. Chairman. I would just like to start my questioning by cautioning my colleagues not to play loose and fast with facts.

Earlier in this hearing it was suggested that more women were unemployed because certain states have paid family leave. And I would remind my colleagues that you cannot make assumptions about what working mothers want or need by falsely extrapolating. So there is many reasons why women are not in the workforce, including, by the way, lack of affordable childcare. So somehow trying to blame it on paid family leave is a dishonest argument. And it is, quite frankly, not helpful in finding solutions.

Having gotten that off my chest, I want to say thank you to our chairman for his steadfast commitment in -- to expand paid family leave and childcare to everybody who needs it. Those two issues are so closely linked because they define our ability to show up for our loved ones, to care for them through life's most challenging moments, and to be able to live life without undue stress and anxiety.

Every single one of us has something in common: at some point in our lives we are going to depend on others to care for us when we can't care for ourselves. It is the way that we arrive into this world, and it is a pretty good bet it is the same way that we will leave it.

We are, supposedly, a modern, industrialized nation. So our citizens shouldn't have to wonder if they are going to be cared for when they need it the most, or whether they can be there to care for a loved one when our loved ones need us the most.

I want to ask the chairman for unanimous consent to insert into the record a letter from members of the Congressional Hispanic Caucus --

\*Chairman Neal. So ordered.

\*Ms. Sanchez. -- on the need to ensure that we have paid family leave.

[[The information follows:](#)]

\*Ms. Sanchez. I want to talk about the lack of paid family leave or childcare, because it is a large and it is a frightening statistic. And we need to do better in addressing this issue.

And I want to tell all our witnesses, as a working mother myself, I want to give you all a big, virtual hug, and thank you for sharing your personal stories and shining a light on this injustice, and the burden that falls to women. Because your stories are powerful, and they matter, and they help us, hopefully, make better policies to help more families.

I empathize a lot with the women who have testified today, because I am raising a son, and I am also a caregiver to my mother, who also has Alzheimer's. And so I want to really focus in on what you all have to say about what it is like to have to face life's biggest curveballs each and every day on your own.

So, Ms. Fauteaux -- and I don't know if I pronounced that correctly -- can you help us understand what are the daily choices that you have to make to meet the needs of everybody that you are responsible for caring for?

\*Ms. Fauteaux. Well, first of all, I have to decide whether I can put myself on the schedule for work for the full week and, you know, I have to decide whether I am going to be an unstable worker for my boss, if I am going to let him down, or if I am going to let my children down because I am not here to help them -- guide them through virtual learning.

But especially my mom, who -- she is a psychiatric registered nurse. Okay? So she is very -- even if it weren't for the early onset Alzheimer's, she would be very stubborn to get medical care. So that is just ingratiated in her. So she hid it for so long that the problems I need to fix that go back so deeply, I would need to take a month off just to get -- but I still need to pay my bills. I need to be able to put my lights on to read the paperwork, you know.

So the decisions that I have to make, I always feel like I am letting somebody down.

I am letting my boss down, I am letting my mother down, I am letting my kids down, all while being, you know, kind of spread out into all of these directions.

\*Ms. Sanchez. Yes, I feel your pain, and I understand. I know what that is like, to feel like you are failing everybody.

Ms. Braga, I am so sorry that your family has had to deal with so much in this past year, and I am sure that keeping your family safe through this transition is always at the top of your mind for you, and that the pandemic probably compounds all the difficulties that are associated with separation.

Could you talk about how the lack of high-quality and affordable childcare affects the big decisions in your life, like where you are going to live, or where you are going to work?

\*Ms. Braga. Well, I don't have a choice as to where I have to work, because that is determined by my employer. I am an itinerant, so I go wherever they tell me.

My income, on the other hand, is the deciding factor for many things, including housing and childcare. So I am sure that is true for every parent. And that is why we need more funding for childcare, so parents can afford it no matter where we live. And that is a struggle for, you know, both parents who have, you know, jobs, or single parents, especially. And most single parents who have to do this, they have to choose between either going to work or having to take care of their loved ones. And I don't think that is fair to have them have to choose between work and childcare.

\*Ms. Sanchez. Thank you again so much for your testimony today. It was powerful, and I hope it will help us create good policy that will help many other families that are struggling.

And I think if we just say we are going to leave it up to the private sector to devise workplace strategies, that is never going to happen. Our government needs to lead. We



need to show the example, and we need to provide the incentives for helping working families be able to not just barely survive, but to thrive.

And with that, I yield back.

\*Chairman Neal. I thank the gentlelady. Let me recognize the gentleman from Ohio, Dr. Wenstrup, to inquire.

\*Mr. Wenstrup. Well, thank you, Mr. Chairman, and I want to thank all of you for joining us today.

You know, I have had a few titles in my career, but the one that is most important to me is dad. Actually, as Members of Congress, we all know we get a variety of titles from other people we don't always like. But being a dad is really my most important.

So I understand the importance of having access to quality care for your children, and especially over the last year. And, as I and we have worked to get our economy back online, childcare has served as a critical tool in the pandemic to get people back to work.

So the topic of childcare can and should be bipartisan, in my opinion. And together we provided significant support to childcare providers over the last year in the CARES Act, and the Consolidated Appropriations Act, and the bipartisan end-of-year spending. So these bipartisan, targeted efforts ensured many childcare providers could keep their doors open to continue serving children and working families. That was the goal.

So looking forward, I think we need to continue to offer families flexibility to best address their childcare needs.

Last April I heard from a constituent who was concerned about her ability to use dependent care flexible spending arrangement dollars, as childcare facilities were shut down across the country. You know, many employers offer dependent care FSAs as a tax advantage benefit to pay for child daycare services such as preschool, summer day camp, and before or after school programs. And these are use-it-or-lose-it accounts. So families

who budgeted for services that have been unavailable due to the pandemic were being punished.

And after hearing from my constituents last Congress, I introduced a bipartisan bill with Rep. Cindy Axne and Mike Kelly to give employees the ability to roll over their dependent care FSA dollars into the 2021 plan year, and to increase the dependent care FSA contribution limit from 5,000 to 10,000. Provisions of my bill were passed into law in December of 2020 and working families with dependent care FSAs were able to roll over their childcare dollars this year.

So my question is, Ms. Smith, do you believe that giving families the ability to roll over their dependent care FSA dollars into the 2021 plan year helped working families this year?

And my next question is should we consider updating the outdated contribution limit for the dependent care FSAs to make childcare more accessible during the public health emergency and beyond that?

And is this the type of flexibility families are requesting in your surveys?

\*Ms. Smith. I think this is a two-part question. I do think that there is no doubt that families benefit from the FSAs, and that allowing families to roll this money over in 2021 was good -- and possibly 2022, because we are still sorting our way out of this.

I think the second -- another piece of the DeCAP issue is decoupling it from the Childcare Independent Tax Credit, because they tend to work against each other. And that is something that this committee could take a look at.

When it comes to families, and what they are looking for in flexibility -- and let me just also footnote to say that only -- in our surveys, only 28 percent of parents report that they have access to the DeCAP, or a family NFSA program through their employer, so we have got a ways to go to make this work for more families. So I think that there is -- there

are things that could be done on that, and we would be interested in having that conversation.

I think the other thing that families are looking for, though, and I think one of the problems that we have in childcare, is that we have, basically, a 9:00-to-5:00 model, where most childcare program -- centers, in particular -- are open, basically, 8:00 to 6:00, around the old traditional work model. And that doesn't work for too many families anymore. That is not the way we are working, as a country, and certainly not the way we are working as we come out of COVID.

So I think that we need to -- and parents in our surveys are asking for flexibility for hours, and not necessarily 24-hour care, but flexibility. For example, if you are in the retail industry, and you work 11:00 to 7:00, so the childcare current system doesn't work for you. So what we really need to think about is how do we begin to rethink the basic model and incentivize some of our programs to take a look at their hours and how they are supporting our families. Because I think, for the most part, many of these programs just simply don't work for families anymore.

So I think it is a two-parter, and -- but I do think the FSAs are an important part of the continuum for families.

\*Mr. Wenstrup. Thank you. That is valuable input. I appreciate it. I yield back.

\*Chairman Neal. Thank you, Dr. Wenstrup. Let me now announce that, consistent with committee practice, we will go to two-to-one questioning ratios, and we will begin with the gentleman from New York, Mr. Higgins.

\*Mr. Higgins. Thank you, Mr. Chairman, for holding this critically important meeting.

The pandemic has exposed the fragility, not only of the American economy, but the American society, as well. And the Jobs Plan, which -- you know, if you want to create

jobs, you have to create jobs. And this is a good investment in the growth of the American economy.

The American Rescue Act, done prior to the release of the Jobs Plan, is intended to provide emergency relief that was too long deferred for the past 12 months.

And then there is the American Families Plan. And unlike the typical debate here about false choices in Washington between Wall Street and Main Street, the American Families Plan focuses in on the neighborhood streets, where real people live and struggle every single day. It is more inclusive, it is more equitable, and it targets much-needed assistance to people who desperately need it, people that have been forgotten for decades.

So we do need to act in Congress to take these policies at a national level, as opposed to the patchwork situation we have now with individual states.

So I would ask Ms. Fauteaux, can you speak again to -- about getting quality care, not only for your kids, but also for your mother, and what it means to folks like you, who are taking care of two generations' worth of family members?

\*Ms. Fauteaux. I mean, it means so much because, contrary to many people's beliefs, I want to work. I have an education that I want to put to use. I come from a family where working is -- it is what you do. Like, I am from a working-class family. I want to work, and I don't want to have to be dependent on government programs.

However, when it comes to things as important as a mother suffering Alzheimer's, or children, especially during this pandemic, who need access to quality care, these are things that we need to invest in as a country. Our children are worth investing in, and our elderly people are worth investing in. And when I am stuck in the middle of having to not only financially support, but also mentally, physically support the two generations, it leaves them with the lack of care that they deserve because I am not able to give both of these generations everything that they need, especially while working full-time, you know.

\*Mr. Higgins. Thank you very much, and thank you for your testimony, all of you. And I will yield back, Mr. Chairman.

\*Chairman Neal. I thank the gentleman. Let me recognize the gentlelady from Alabama, Ms. Sewell, to inquire.

\*Ms. Sewell. Thank you, Mr. Chairman. Can you hear me? I hope so.

I would like to start by thanking you for holding this hearing. It is so critically important to have this topic, dealing with such an important issue to our economy and our health care system, that of the childcare of -- the childcare for working families.

I also would like to thank each of the witnesses here today.

During this pandemic we have seen Black workers, especially Black women, the -- who are often considered the central workers and frontline workers for this pandemic, they have had a greater exposure to the need for safe and affordable health care. My question, really, is to Brittany (sic).

I represent Alabama, and I know that you are a small business owner. And I particularly have found that the people that I represent in Alabama -- 80 percent of the Black women and 45 percent of White women, and 37 percent of the Latina women -- are key family breadwinners. I know that you are the breadwinner, and that you are caring for two generations, your children as well as your mom.

Can you talk to us about what -- exactly the kind of reforms that would -- when we talk about paid leave, what exactly -- is it half the amount that you need replaced? What -- I mean, like, can you talk to us, as policy makers? What would make an appreciable difference in your life?

[Pause.]

\*Chairman Neal. Would you please unmute?

I would give the gentlelady a chance to answer the question if she unmutes.

\*Ms. Sewell. What about one of our other panelists?

\*Chairman Neal. If the witnesses would like to consider the question later on, we could perhaps go back to them for that purpose.

And with that, let me recognize --

Happy to hear from -- if we could make the technical connection.

Ms. Spencer, were you trying to be recognized?

\*Ms. Spencer. I am here. Was that question for me? I didn't hear my name, and I am sorry if it was meant for me.

\*Chairman Neal. No, I think Ms. Sewell was directing the question. But you could answer it, if you would like.

\*Ms. Spencer. I am happy to, Representative Sewell, if you could summarize the question really quickly, again, to make sure that I heard you correctly.

\*Ms. Sewell. Yes, I just really was asking what actual reforms would be -- make an appreciable difference in your life, in terms of paid leave. Are we talking about half replacement?

You know, can you talk to us about exactly what kind of reform would be helpful?

\*Ms. Spencer. So, in my opinion, a one-to-one dollar match would be the most helpful, because that allows us to not have that abrupt disruption in life, and you can continue with bills and with meeting goals. If your goal is to become a homeowner, or get a new car or whatever, it won't interrupt that.

I understand the -- how, you know, we should be grateful for whatever it is we have. But if we value quality, if we really want folks to enter the workforce in a positive mental headspace, in a positive physical space where we have adequately healed from whatever took us out of the workplace, that is going to increase that longevity so that I won't have to be in and out, in and out because I am half healed, or half at a space to re-

enter the workforce.

And I think that that is the hugest investment we can do, is pay attention to that quality, set families up for success, and we will give you 1,000 percent back, I guarantee it.

\*Ms. Sewell. Well, thank you very much.

Thank you so much, Mr. Chairman.

\*Chairman Neal. Thank you --

\*Ms. Sewell. I think that this hearing has really brought the spotlight on just how we, as a nation, has systemically -- disinvestments in health care and childcare -- we have a lot of work to do, and I look forward to working with you, Mr. Chairman, and the rest of the colleagues of this committee, to help address these important issues. Thank you.

\*Chairman Neal. I thank the gentlelady. Let me now recognize the gentlelady from Indiana, Mrs. Walorski.

\*Mrs. Walorski. Thank you, Mr. Chairman.

And, you know, to our witnesses here today, I say thank you so much. The women that have testified today, you know, you are resilient women. I am actually glad to be on this committee to hear your stories today, because I think it is so important of what is going on around the country.

And, as you know, and we have heard this more times today, women have shouldered much of the burden of caregiving during the pandemic. Two million women left the labor force during COVID, a significant number remain unable to work, or are disconnected from the workforce all together.

Working families were often trying to figure out how to balance financial security and their health, while keeping their families strong, and we have heard that from all of you today.

There is bipartisan agreement that empowering working families will be the key to

rebuilding our economy. There is no argument here. This is not a Republican/Democratic issue. And I hope this hearing is an opening for us to work together. There really is a need, and I believe we really do have the solutions.

We agree on the need for smart, pro-family policies that enhance access to both childcare and paid family leave benefits. The biggest question is how do we solve it? How do we get to an end of this?

We know families want childcare and paid leave, but they don't want smaller paychecks. So one possible solution is a bill that I introduced, called the Working Families Childcare Access Act, by giving working parents more flexibility to save their own hard-earned money and use pre-tax dollars for a wide range of childcare expenses. This common-sense legislation would make it easier for them to navigate uncertain times and help families thrive.

We also know small business wants to provide benefits to their workers but can't manage additional mandates and regulations from Washington. And Ms. Smith, this is what I wanted to ask you about.

Before this hearing I reached out to a childcare provider in my district, and he raised some concerns about additional regulations that are often attached to new government funds. While there is an influx of childcare funding, over-regulation is still a major threat to his operation. So I just wanted to ask these couple of questions and, if you could answer, I would appreciate it.

One, do you think this provider for my district has a point?

As he -- as states try to manage the new funding, are we going to start seeing new regs that burden current and would-be child providers?

And could existing gaps in childcare widen if additional burdens are put on those providers, Ms. Smith?



\*Ms. Smith. I actually think that, because of the flexibility that Congress built into the CARES Act, it has actually been quite the opposite, for the most part, in the country. States have been very flexible when it came to --comes to some of the regulations, and Congress gave them a lot of flexibility to do that.

I think one of the things that I was thinking about, getting ready for this hearing, was -- is that I am actually proud of childcare, because childcare is actually -- was well ahead of the curve in health and safety, and understanding disease spread, and some of those things, hand washing and so forth.

And what we have heard from states has been just that, that they have been -- that there has been more flexibility.

So I don't think so. I think what your client may be thinking about, though, is some of the restrictions placed on -- based on the group sizes in childcare centers, especially, limiting the number of children who can be in a room, which is -- in effect, has cut the capacity of several programs in half. The states are easing out of that. Most states are now going back to the regular ratios and group sizes. But he may be thinking about that.

I think that, where -- there is a balance here between our provider community and parents, and parents across the board in any survey that we have done at BPC say that health, safety, and those types of things are the number-one issue they care about. And so I think we need to be careful as we talk about some of these things, but basic health and safety is still very important to our families.

\*Mrs. Walorski. Thanks. One more quick question. I am a supporter of Head Start and have been for a long time. And one of my concerns is duplication of funding in multiple programs. It makes it hard for parents to navigate. Do you consider Head Start to be duplicative of what the Childcare Block Grant program does?

And should we be looking to have conversations with our other colleagues on the

Workforce and Education Committee to make sure these huge, early childhood investments are coordinated and actually working for families?

\*Ms. Smith. I -- actually, that is -- you raise a very important question in the early childhood community, and that is the role of Head Start in all of this. And I think it is a sensitive issue, I would say to you, but I think it is one that it is time that the Administration and Congress look at, especially as we think about any investments in pre-K from the federal level, because that is where there tends to be overlap, is between part-day preschool programs and Head Start, which is also part-day, part year.

And what I would suggest is that that, yes, there is a lot of room to think about these things now, as I think about the structure and some of the barriers to these -- the parents in these programs. I would say Congress should think carefully about each one of these as you move forward. And I would definitely say that there is room for improvement. And we -- what -- last thing, I think, that we want to be having in this country is some programs competing for four-year-olds, when there is just an unimaginable lack of infant and toddler programs. So one of the things --

\*Mrs. Walorski. Thanks, I have got to stop you there, but I appreciate your input. Thank you for your extra time there, Mr. Chairman.

\*Chairman Neal. I thank the gentlelady. Let me recognize the gentlelady from Washington State, Ms. DelBene, to inquire.

\*Ms. DelBene. Thank you, Mr. Chairman. Thank you so much for holding today's critical hearing on paid leave and childcare, and thanks to all of our witnesses who joined us for -- and for sharing your personal stories, stories that are shared by so many others across the country.

Before I ask my questions, I want to highlight some of the testimony submitted by Moms Rising, which really lays bare the disproportionate impact women have shouldered

during the pandemic. They say, in the past year, 32 percent of women aged 25 to 34 were pushed out of the labor force due to a lack of childcare, proving how essential a strong care infrastructure is to the U.S. job market.

In 2020 more than 2.3 million women lost their jobs. More than 600,000 are Black, 618,000 are Latina. Our failure to invest in paid leave, affordable, quality childcare, and other components of a care infrastructure is costing not only women and their families, but our economy, overall. Mothers leaving the labor force and reducing work hours in order to assume caretaking responsibilities amounts to \$64.5 billion per year in lost wages and economic activity.

So, Mr. Chairman, just last week, before this hearing was even scheduled, I heard a comment from a constituent of mine in Bothell, Washington. She and her husband have good, full-time jobs with Boeing, but both are burdened by overwhelming \$36,000 a year in childcare for their 2 young children. And it is unsustainable and unobtainable for far too many.

So I want to thank Ms. Neitzel for being with us from the great state of Washington.

Thanks so much for joining us. It is good to see you. You talked briefly in your remarks about how Washington State's paid leave program began administering benefits in 2020. And I wondered if you could talk a little bit about how the program has affected your business. Were you able to attract stronger talent and retain your best employees as a result?

\*Ms. Neitzel. Thank you, Congresswoman DelBene. Yes, it has helped us very much to be able to compete and attract talent, and especially compete with larger employers.

The setup with the program at the state level was smooth. Several of my employees used it in the first year for a variety of caregiving and medical leave situations.

We make small, predictable payments each month via our payroll service that I can easily budget, and our employees are able to take the time they need. And since much of their salary -- and sometimes all of their salary -- is picked up by the state fund, I have that portion of their salary to put towards overtime or replacement workers, which is a short-term problem. And then the long-term solution is they come back to work healthy, and well cared for, and ready to participate back in our workforce.

\*Ms. DelBene. Now, you had already offered paid family and medical leave to your employees, even before the state program went into effect. And so how has -- how have things changed, now that you have the statewide program available? And how has it helped you and your employees?

\*Ms. Neitzel. It has been wonderful, it has given me back a lot of my bottom line, and I have been able to just really predict that our budgeting will look the way that it -- we planned for each year, because I know what the premiums will be for the state program, and they are consistent and affordable.

\*Ms. DelBene. And certainty and predictability is critically important to a small business when you are planning, I know.

\*Ms. Neitzel. Yes.

\*Ms. DelBene. So just -- it makes a huge difference. Thanks again for joining us. We really appreciate it.

And, Mr. Chairman, I will yield back.

\*Chairman Neal. I thank the gentlelady. Let me recognize the gentlelady from Wisconsin, Ms. Moore, to inquire.

\*Ms. Moore. Thank you so much, Mr. Chairman, and I just want to say thank you to all of my colleagues, Agnes Molly, Joy, Linda, Bethany, Rebecca for joining us today, and giving us real-world experience.

You know, I just enjoyed my 70th birthday on Sunday, but I am still suffering from PTSD of what it meant to try to acquire childcare while I worked. And being a great grandmother, every day I see the perils of my daughters, my daughter and my granddaughters, in trying to negotiate the cost of childcare.

We have heard a lot today from my colleagues, and I don't have to repeat all of those data that they shared with us, about how 84 percent of absenteeism during the pandemic came from women who could not provide childcare. Now, I guess I have a question for all of those of you who have been childcare providers who have a business. Yes-and-no answers, so that I can sort of get through all of my questions. And I guess that would be Molly, Linda, Bethany -- if I am wrong, you can unmute yourselves now.

What I have been hearing today, that we want to try to reach a bipartisan approach to meeting the childcare needs, and -- you know, the thing of it is, let's face it, this is an equal protection issue for women, because even a woman in the situation that Agnes finds herself in, her family -- the family breakdown, childcare is her problem. The cost of childcare and looking out for her kids is her problem.

What we have heard is that we need to find a solution that doesn't involve the government providing any more funds. I guess I would like to ask the three of you, do you think it is possible for us to come up with a plan that --where the federal government doesn't make any investment?

\*Ms. Braga. No.

\*Ms. Fauteaux. I myself would have to say that an investment in our children, for one, is an investment worth making from the government. So I think saying that it is not an investment we can afford is absolutely absurd, especially when we spent so many years investing in the war in Iraq, and all of these other contracts we invested in. To say that we cannot invest -- \$50 billion sounds like a lot, but in lieu of how much we have spent on

things that we have an investment in, it is really a drop in the bucket.

\*Ms. Moore. Okay --

\*Ms. Fauteaux. So to say that we cannot invest that is absurd.

\*Ms. Moore. Okay, thank you.

Ms. Smith?

\*Ms. Smith. I would say no, too.

I think the other -- the one thing that needs to be thought through, though, is who is sharing, what share of government -- I mean, what is the responsibility of the federal government, the state government, and local governments in --

\*Ms. Moore. Okay, thank you very much for that answer.

I guess we have had a lot of proposals here. Some of them sound really good. I know Mr. Schweikert said that we need to make the employees more valuable, and I just sat here and did the math. I am not a great mathematician, but if a woman is making \$7.25 an hour, and she turns her entire paycheck over to a care provider for \$7.25 an hour, how can we make up -- I mean, that is a non-starter. I guess that is not even a question.

The point of it is that very few people can afford to pay for childcare without some sort of support. There have been a lot of proposals for businesses to help. I think Mrs. Walorski talked about pre-tax -- taxes for childcare, and I guess that works for the poorest - for the wealthiest women. They can pay for childcare, and then get a tax credit later. Does a pre-tax credit or tax credit given to businesses, does that help the lowest-income women?

Would that help someone like Joy, who is very talented?

Joy, would that help you?

\*Ms. Spencer. Yes, so what I think is -- creating the infrastructure to allow us to reach our goals -- we hear a lot of criticism of, "Why would you want to rely on the

government?" Well, value my intellectual property, my social capital at a rate that allows me to keep up with the increased cost of living, provide me with a living wage. I have the potential. Invest in that, and we will see.

And we have heard, you know, ramblings of the numbers, but we will see constant increase when we are able to put that quality investment into our workforce. We will see that come out.

\*Ms. Moore. And thank you for that.

You know, again, you know, this is an equal protection issue, because we really haven't dwelt on it a lot, Mr. Chairman, but this is something that has an impact on women being able to participate in the workforce. And, you know, so, you know, there aren't many men who don't get to go to work, or don't get to look for a job because they have got childcare responsibilities.

And these small businesses are owned by women who can't carry the load when their customers just simply cannot afford it.

I just have one question for you, Bethany. You belong to an organization called Voices of Workers. Can you tell us a little bit about the mission of that organization, and what you do?

\*Ms. Fauteaux. Yes, so we are a national group comprised of many different state groups. I am part of the Coalition for Social Justice in Massachusetts. And so it is an umbrella group, because we find that all of the women, especially in our state, suffer from the same problems, these low wages, the lack of paid family medical leave -- although in Massachusetts we got it passed recently, but we are fighting for federally, because of how important it is. So it is the gathering of all of these states and trying to be a voice for all of us under a national umbrella.

\*Chairman Neal. I thank the gentlelady.

\*Ms. Moore. Thank you so --

\*Chairman Neal. I thank the gentlelady. Let me recognize the gentleman from Kansas, Mr. Estes, to inquire.

\*Mr. Estes. Thank you, Mr. Chairman, and thank you to all of our witnesses for joining us today.

You know, as we build the economy following the recent health crisis, we must pursue policies that help encourage growth and job creation so that our economy works for everyone.

Following the extreme shutdown measures and a slow return to in-person schooling, it is clear that American families want flexibility in childcare and paid leave, not ineffective political grandstanding. Instead of forcing partisan agendas, we need to be empathetic towards parents struggling to do their jobs, while ensuring their children are adequately taken care of.

One example in my district, the 4th district of Kansas, is Jesse Sterling. Jesse is both a mother of four children and a small business owner. Her business, Paint the Town, has two successful locations in Wichita, with predominantly part-time, female staff.

Throughout the pandemic, Jesse homeschooled her children after pulling them out of the public schools when in-person schooling was shut down and virtual learning wasn't meeting their needs. As Wichita began to reopen, businesses picked up. Unfortunately, most of Jesse's employees opted to stay home and collect expanded unemployment benefits, rather than working. The additional \$300 means that most of the part-time employees were making more on unemployment than they were making at their job.

While Jesse was responsible for the education and care of her children, she now had to work extra hours to cover for the children -- cover for the employees that aren't coming back. A one-size-fits-all approach for paid leave won't help women like Jesse, who are



running their own business and focusing on independent -- and facing an unprecedented crisis caused by reckless federal government unemployment policies.

I want to be clear: childcare and paid family are not partisan issues. I am confident that we can work across the aisle and solve these issues to fill in the gaps and restore our way of life.

Since my time in Congress, which is -- will be four years this weekend, the funding for childcare and development block grants has doubled, from \$2.8 billion to \$5.8 billion. This is in addition to new funding for expanding early Head Start programs, which I am a big advocate of, which received more than \$10 billion in funding in 2020.

Over the course of the pandemic, Congress appropriated \$54 billion for supplemental childcare funding. Emergency funding for childcare in CARES and the Consolidated Appropriations Act makes sense. A total of \$467 million was going to Kansas. It is a smart investment to provide to families, but any new spending at this point would be irresponsible until we know, really, where we are and how we go forward. As of right now, the \$40 billion that the Democrats passed in March hasn't made its way to providers or families.

So let's be honest with ourselves; the partisan tactics are failing families. Instead of bloated unemployment spending and pushing job-killing tax hikes, we should be working together to find lasting, bipartisan solutions for American families.

Ms. Smith, as you correctly note in your writings, the Democrats' recent spending spree directed significantly more money than has ever been provided by the annual federal appropriations process: \$5.8 million was appropriated for the Childcare and Development Block Grant program in fiscal year 2021, whereas, in fact, the total federal spending on childcare exceeded \$50 billion since the start of the pandemic.

You wrote that it is important for federal policymakers to understand the checks and

balances that exist at the state level that complicate the ability for state agencies to spend the new funding quickly. Can you walk us through some of the barriers that you think are important for us to keep in mind at the federal level?

\*Ms. Smith. Yes, and I think this is an important question.

I think, first, to, one, your issue around the significant increase in funding, I think there are challenges with that, because the one-time funding is going to be a challenge for states in how do they build capacity and then it is not sustainable. And I think the sustainability question is really important.

We looked at the barriers at the state level, and I think one of the things that Congress needs to be aware of is how many states require legislative action to spend unanticipated federal funds. So this -- that, in itself, is something that going to be a challenge for states, where legislatures may or may not be in session. And then how do they deal with that, and what is their recourse if the legislature isn't in session?

I think there are other barriers at the state level. Do they have in place the processes at the state level to execute grants and contracts? In a lot of our states we don't have that capacity, so they are going to have to set that up.

So there are a number of challenges, and some of them may sound bureaucratic, but they actually are there for a purpose. And I think we are going to have to take this step by step, and that why we cautioned in what we wrote to not -- or not to get too far out in front of this issue, and to understand that states do have challenges, and they are going to have to work through some of them.

\*Mr. Estes. Thank you. I understand there is some big challenges, and I appreciate the ideas that we talked about. And I think we can come up with a bipartisan solution that works for all of America.

And so thank you and, with that, I yield back, Mr. Chairman.

\*Chairman Neal. I thank the gentleman. Let me recognize the gentleman from Michigan, Mr. Kildee, to inquire.

\*Mr. Kildee. Well, first of all, thank you, Chairman Neal, for holding this really important hearing, and I want to thank the witnesses for their testimony. It has been very helpful.

In my home state of Michigan, both men and women experienced sharp drops in employment during this pandemic. However, while employment for men has largely rebounded to pre-pandemic levels, employment for women has not. Paid leave and affordable childcare are really necessary for helping Americans, particularly women, to stay in the workplace. So I want to share a story from my own state, from the State of Michigan, about a woman who has experience dealing with the lack of paid leave as she prepares to have a child.

Alexandria is a manager and a massage therapist at a small studio in Michigan. She is currently pregnant and expected to deliver in October. After Alexandria announced her plans to start a family, her boss handed her an agreement to sign. That agreement indicated that, if she were ever to take leave for more than one or two days at a time, that her salary would be suspended.

And then, to make matters worse, she does not have the right to take unpaid time off when she gives birth, because her company is too small to be subject to the Family Medical Leave Act. Michigan also does not have a law that would require her employer to provide her with any reasonable accommodations for pregnancy and childbirth, such as time off simply to physically recover.

So she is, naturally, very concerned about the ability to receive income while recovering from childbirth, that she will not have access to short-term disability benefits. She is also concerned that there is no guarantee that her job will be held for her while she is

on maternity leave.

Obviously, Alexandria is not the only woman faced with this sort of decision. This is a decision that many have to make on a daily basis, to start a family or to remain gainfully employed. And unfortunately, that does happen to become a choice for some. That not acceptable, and that is exactly why Congress has a duty to act, to ensure that all workers have access to something as fundamental as paid family and medical leave.

So I would like to ask Ms. Spencer a question.

Like Alexandria, the person I described, you were unable to secure paid leave when you were pregnant. Can you talk to us a bit? I know you have addressed this, but describe to us what this decision point is like for so many women who are forced to make a decision between starting a family or keeping a job.

\*Ms. Spencer. It is pretty excruciating. It makes you feel inadequate in some way, especially as a woman who, you know, did what she could to get a college education, to pursue her career, and then you end up in a place where you feel like you are not able to both pursue your career and be a great parent.

And so having these -- like we have mentioned before, other countries have these kind of protections in place, and it improves the collective health of the country. We know the cost savings to that. And it -- in this particular situation, we absolutely have to do what we can to help women re-enter the workforce. That is what is going to bounce our economy back, and that is what is going to help us see a return on the investment of our families.

\*Mr. Kildee. Thank you for that, and I appreciate you presenting your story.

I guess I would like to ask perhaps Ms. Fauteaux or Neitzel if you could address this question, because it has come up. To what extent can we rely upon employers to provide paid leave for -- or other supports for new parents without some requirement,

without some action, without some action by the federal government? Can we just rely on employers to take this step on their own?

\*Ms. Fauteaux. No, I think we have seen in the past that, when we have waited for employers to put these safety nets and left it up to them, they have not.

I mean, I was not eligible for the FMLA just to keep my job, which is another reason why I had to kind of rush back when I saw a replacement taking me, because they have to do what -- it kind of becomes a fight between employee and employer. They have to do what they have to do. You have to do what you have to do, rather than this bridge making us work together for the greater good of all.

\*Mr. Kildee. Ms. Neitzel?

\*Ms. Neitzel. We absolutely can't rely on the private sector. None of my larger competitors have ever provided paid family leave until it was a state program.

\*Mr. Kildee. All right, I see my time has expired. Thank you, Mr. Chairman, I yield back. Thank you all.

\*Chairman Neal. I thank the gentleman. Let me recognize the gentleman from Pennsylvania, Mr. Boyle, to inquire.

\*Mr. Boyle. Thank you, Mr. Chairman, and thanks to all of the witnesses who have really been phenomenal and have shared just some incredibly moving and important testimony.

I have long thought that, if there is ever an issue where self-described pro-family Republicans and Democrats should be able to get together, it is to institute a paid family leave program. It would end our status as the sole outlier in the Western World for not having this program, which is both the right thing to do for families, but also in our economic interests.

My family, my wife and I, have a young daughter who is in first grade. And we

were just one of the millions of families that were suddenly worrying about what to do over the course of this past year with the pandemic, and when schools had to close because of the pandemic. But of course, for many families, it is a problem before, during, and after COVID.

In my home state of Pennsylvania, it is pretty remarkable. In Pennsylvania there is a 10-percentage-point gap in labor force participation between men and women. And what is interesting is that statistic was pre-COVID. So that doesn't even take into the -- take into account that, of course, this past recession was literally nicknamed the she-cession because we had so many women dropping out of the workplace.

So this is in our -- as I said before, in our best interest. And it is just the humane and, I believe, pro-family and moral thing to do. It is one of the many reasons why I proudly cosponsored the FAMILY Act.

But rather than talking about that, I want to take advantage of the witnesses we have here. And Ms. Neitzel, I especially want to thank you for joining us today. I was really struck by your testimony, given, you know, your perspective, because it seems to me that you are someone who proves false a number of the myths that we have heard about what such a program would do to small business owners, the fact that you made the decision to offer your own version of paid leave before it was even mandated by your own State of Washington.

So I was just wondering if you could talk -- you have already addressed this a little bit, but if you could talk about the benefits, besides the fact that it is the ethical thing to do, good by your employees, I am just curious what tangible benefits you have seen, as a small business owner who created such a program.

\*Ms. Neitzel. Sure, thank you. I mean, I would say that I have learned a lot, as an employer. I have been in business for 13 years, and my company, pre-pandemic, was about

to cross the \$10 million-a-year mark. So I have had, you know, hundreds of employees over the last 13 years. And something I have really learned is that, when you can provide pay and benefits that help people live their lives and have a quality of life outside of work, they are going to give you so much more as workers.

And I have just seen time and time again, when we have been able to extend paid family leave or medical leave to our employees, that they come back so dedicated to the company and so ready to work. And when I see other friends who own businesses not provide these benefits before the state program, they were constantly dealing with turnover, and workers who couldn't focus on their jobs because they had big problems at home that weren't being supported.

\*Mr. Boyle. Very good. I appreciate you sharing that perspective.

I will just say, in conclusion, no person should ever have to choose between taking care of a child, taking care of another family member, and their job. That is both wrong, ethically and morally. And again, it doesn't make sense, economically, as well. So I will continue to push for the FAMILY Act.

When I tell constituents that this could be done for two-tenths of one percent on the payroll tax, they generally are very surprised.

But anyway, be that as it may, I thank you and all the witnesses. If there is one thing that we solve coming out of this pandemic, it has to finally be this issue.

Thank you, Mr. Chairman. I yield back.

\*Chairman Neal. I thank the gentleman. Let me recognize the gentleman from Texas, Mr. Arrington, to inquire.

\*Mr. Arrington. Thank you, Mr. Chairman. And as my colleague mentioned, we have to solve this issue. The question is how best to solve the issue so that we don't create greater problems, more problems for our families and for our country.

And I have heard and I have read many times that women with children, as a demographic, desire that we, as Congress, work together. That is, they desire bipartisanship and unity, and they sort of reject the gridlock and hyper-partisanship that our country has seen all too many times. I just want to test that and see if that is the case with our witnesses.

So if -- Ms. Gonzalez, do you agree, yes or no, that it would -- it is better when our country works together, our nation's leaders, Republican and Democrat, to solve problems like the ones that we are talking about today with respect to family leave and childcare, et cetera?

Ms. Gonzalez, yes or no?

Ms. Gonzalez?

Ms. Smith --

\*Chairman Neal. Will the gentlelady unmute, please?

\*Mr. Arrington. Ms. Spencer? Ms. Spencer, yes --

\*Ms. Spencer. Yes.

\*Mr. Arrington. -- or no? Yes or no?

\*Ms. Spencer. Yes.

\*Mr. Arrington. Okay, thank you.

Ms. Braga, yes or no?

\*Ms. Braga. Yes.

\*Mr. Arrington. Bethany, yes or no?

\*Ms. Fauteaux. I don't believe it is a yes-or-no question, but if I had to answer with yes or no, I would say yes.

\*Mr. Arrington. Okay, thank you.

Ms. Neitzel, you think it is best if we can work together to solve problems in a



bipartisan fashion for our country?

\*Ms. Neitzel. I would choose universal paid family leave over bipartisanship but do what you need to do.

\*Mr. Arrington. Okay, well, the majority of folks seem to want us to work together. And I would encourage my colleagues -- we have done it in the past. And I would say to the witnesses, we worked together through the -- this tough time for the country.

We have worked together in good faith to provide assistance to help people through this tough time, unprecedentedly tough time, to get our small businesses like you, Ms. Neitzel, small business owners, the help they need and PPP, to provide families paid medical leave and family leave through this tax credit.

We have done a lot of things together as Americans, first, not Republicans or Democrats. And I think we should continue to forge ahead in that manner. And I think the outcome is generally better when we do that. And I think the witnesses, for the record, the witnesses, I think, agree with that. And I am not trying to put words in their mouth.

I think, you know, before COVID, we had one of the best economies we have ever had in the history of our country. We saw women -- we saw lower unemployment at all ages and backgrounds and races. We had wages up, all races, backgrounds, and ages of women.

Ms. Neitzel, we were off the charts. We were booming, and hitting on all cylinders, and we had more jobs than people at one time. This was pre-COVID. Was that your experience, as well? Because it seemed like women were making a better -- having a better way, in terms of business and growth, in that season, prior -- just prior to COVID.

\*Ms. Neitzel. Pre-COVID, women were still making \$.89 to a man's dollar in the city of Seattle, and Black women, Brown women, trans women were making far less than

that. So we had a lot -- a long way to go before COVID, and we still have a long way.

\*Mr. Arrington. Well, the data shows that women had higher wages, and folks at the lower income spectrum had the highest increase in wages.

And, you know, small businesses were doing better because people had more money in their pockets they were spending, and folks like you, small business owners -- two-thirds of small businesses are started by women. And we are at 40 percent ownership for females in business.

But I would like to think that not having high taxes, not having the cost of regulations that are disproportionately borne by small businesses is a good thing. And so, as we look to solve this -- and it is a real issue, and -- I just think we have to consider the state's role, we need to consider markets and their ability, if we can create the right incentives, to give choices and flexibilities to small business owners and to families. And that is the way I think we ought to approach it.

That would be my two cents, Mr. Chairman, and I yield back.

\*Chairman Neal. I thank the gentleman.

I would remind members we now have six votes that will be coming up on the floor. It is my intention to proceed with the hearing during these votes. Members should go to vote when their group is called, and then come back promptly. In the event that your time for questions occurs while you are voting, we will come back to you.

With that let me recognize the gentleman from Virginia, Mr. Beyer, to inquire.

\*Mr. Beyer. Mr. Chairman, thank you very much. Mr. Chairman, thank you so much for holding this hearing, it is incredibly important.

We have been working on the Joint Economic Committee with a number of economists in the last year, and virtually everyone says, until we solve the childcare problem, you can't solve the economy.

And I want to thank all the witnesses for coming to be here today. It has truly been an honor to hear your testimonies.

I would like to highlight for a moment the story of one of my constituents, Javonna Brownley. Without her job she couldn't afford to meet her children's physical needs, food, housing, utilities. But she also feels like she had to sacrifice her ability to meet their emotional and mental needs in their critical early months.

She said, and I am quoting, "Bonding with my babies is super important. Being a single mom with three little ones, I make a lot of sacrifices. My biggest sacrifice is time. I spend most of my day at work so I can financially provide, and I allow a family member, a childcare provider, to give my children the love and attention that I can't offer at the moment. Being able to bond with my children means so much to me. I am their mother, and I enjoy being the one to meet their emotional and mental needs every day."

It has been fascinating, listening to this and let me try to sum up sort of points one through five.

Number one, we know that increasing women in the workforce means much faster GDP growth, and we have fewer women in the workforce now than we have had in a number of years.

Number two, we have very low birth rates, the lowest in most of our lives in the United States.

Number three, we have very low pay and low benefits for childcare workers. They have long hours, they are incredibly stressful, difficult to attract. My friend, Mr. Schweikert from Arizona, talked about how do we elevate the pay, the importance of that worker, the value of that worker.

Number four, we know that early learning is critical for the success for the rest of their lives. That famous statistic that kids in an affluent family will hear 30 million more

words than children living in poverty.

And number five, we know that childcare is unaffordable and inaccessible for so many, many, many millions of Americans.

You put all that together, yes, you need paid family leave. But even more than that, we need a comprehensive, national approach that solves this, that provides affordable, accessible childcare for virtually every family and every child.

Jason Smith, our friend from Missouri, talked about vouchers which gives parents choice, which is great, but we -- clearly, there are not nearly enough vouchers, or enough money invested in vouchers to solve this problem on a national basis.

So, Linda Smith, you are in the think tank world. Can you offer your perspective on how we move from where we are today to universal, accessible, affordable childcare?

\*Ms. Smith. Yes, and thank you for the question. I actually do think, going back to what Representative Doggett asked me earlier, that the military model is, in part, the answer, because, in the Defense Department, when we had to redo the childcare program -- and trust me, we had a really bad system when all that started -- what we did was look at how we put the money into the programs. And this was done in conjunction with Congress at the time.

And so, part of the public investment went into the --actually, the programs, to buy down the cost of care for families. And I think that is what we haven't figured out yet on a national level, is how do we both, you know, ensure these childcare programs are stable, and that they have the right -- and that we close the gap between what parents can afford to pay and what it costs to do the work. And that gap is getting bigger and bigger and bigger in this country.

And so you heard the costs coming out earlier. I think that if we could do both -- we don't have nearly enough money in the voucher program. I think we now can serve less

than 20 percent of children who are eligible for the vouchers -- them. So we need to think about that side of the equation.

But at the same time we also need to think about how do we get the money into these programs. So back to your point. We can pay the workforce what they have -- what they earn and deserve for the education and the work that they do, and still not pass that cost onto parents.

\*Mr. Beyer. Linda, in the military model, are those workers paid fairly?

And do we overcome the notion of minimum wage, long hours, high stress, low skill levels?

\*Ms. Smith. Yes. In the military model, the way we approached the workforce was we looked at comparable wages for the same type of work when we started to build the model in the military, and then built on that. So we implemented a training program that, essentially, was required for everyone. But when people took the training, they got a promotion, and they got a pay raise.

And we also looked at the issue of benefits. And so a certain number, a percentage of the parents or workers had to get benefits on top of the wages. I believe that the average wage right now, or annual salary in the military, is somewhere around 35,000 a year for a fully competent childcare teacher. And that is -- basically, she has reached the level of a CDA credential. So that is probably about twice, I think, what the national averages are right now. But that has been sustained, and that is paid for with taxpayer dollars going into the program in the form of wages for the -- in general -- in the form of the GS wage scale.

\*Mr. Beyer. Thank you, thank you very much.

\*Ms. Smith. So it works -- okay, thank you.

\*Chairman Neal. Okay, I thank the gentlelady. Let me recognize the gentleman from Pennsylvania, Mr. Evans, to inquire.

\*Mr. Evans. Thank you. Thank you, Mr. Speaker. Mr. Speaker? Mr. Chairman.

Mr. Chairman, I said to you and to some members on the committee a couple of weeks ago, when the President of the United States spoke in Pittsburgh, and announced the effort around, at that time, the American Jobs Act. He made the statement that -- about winning the future. I say to you I thank you, Mr. Chairman, for your leadership for this moment on this discussion about paid leave, childcare, and how this economy has failed women. So I thank you for gathering all of us together for us to have this timely discussion, because this really is talking about winning the future.

And as a result, I would like to ask the question to Ms. Spencer.

You mentioned how hard it was to meet your family basic needs, and to reach your career goals without access to paid leave and affordable, quality childcare. Can you talk about how women would benefit if the federal government provided them with paid family medical leave?

\*Ms. Spencer. So I think the benefits are infinite. And if we want to even just look at research, paid leave has been proven to decrease maternal depression. It has been proven to optimize recovery, postpartum recovery. It has been proven to optimize early childhood development. So those investments alone, the cost savings from those preventative measures alone, is going to be enough to really see an improvement in the quality of lives for millions of Americans.

But in addition, having paid leave is going to keep us from having folks sending sick kids to daycare, going to work sick and spreading germs, especially when we are still dealing with a global pandemic. And it is going to allow us to be in community and at work in spaces with healthier and happier people that are going to be more productive, and really put that quality -- bring the quality out of the work.

\*Mr. Evans. I yield back to the chairman.

\*Chairman Neal. -- Dr. Ferguson to inquire.

\*Mr. Ferguson. Thank you, Mr. Chairman, and thanks for the opportunity to discuss this important topic.

And I go back to my days as a small business owner, running a dental practice, where I have very seldom had more than a half-a-dozen full-time employees. And so I have looked at this from the standpoint of how to best care for employees, how to best take care of them, what is the right environment for them. But also, you know, how do I keep my business viable? So I have looked at this from a lot of different ways.

And, you know, when I -- the thing that I look at, and what I want -- and what I think is best for my employees and for a small business is to have flexibility, not have a one-size-fits-all policy for everyone. And I look at it, you know, and I think having programs, or having an option that incentivizes business to fund individual accounts that employees can take with them wherever they go, I think, is important. And being able to do this with pre-tax dollars, similar to something like a 529 plan or an HSA, I think, is a viable option.

What we don't want to do -- and to the calls for a national solution, and I heard my colleague from Virginia mention that just a few minutes ago -- we certainly need to have a national conversation about that, but I think there are a lot of different ways of going about this.

And one of the challenges that I see with a federally mandated and run program, it is probably best illustrated in a chart, Mr. Chairman, that I would like to have submitted for the record.

\*Chairman Neal. Without objection.

[The information follows:]

\*\*\*\*\*COMMITTEE INSERT\*\*\*\*\*



\*Mr. Ferguson. And it is a chart that shows, over the past 20 years, the cost of goods and services in America. And it shows -- and this chart, I am not able to have a big-enough copy, but it will be in the record -- shows things like hospital services, college tuition and fees, college textbook, childcare, medical services, all of those things are infinitely more expensive -- in some cases, 150 to 200 percent more increase -- over the last 20 years. There are a lot of things -- telecom services, softwares, computers, technology -- that the price has actually fallen and become more affordable. The point of this is, with this graph, everything that the federal government gets involved in and touches becomes infinitely more expensive. So I think that having private-sector solutions to this is a much better alternative. Nobody wants to take care of their employees more than the employer.

I heard someone say -- and I think it may have been Ms. Neitzel -- and if I mischaracterize your words, I apologize here. But I think I heard you say that the -- we could not rely on the private sector to do this. Well, you know, I applaud you, as a small business owner, for taking the initiative to figure out the right way, and to solve this problem.

We, as small business owners, can do that. And if we have options, and we have ways to help invest in our families, particularly with tax-free money, then I think that is a better solution. And you did just what we would all -- what I think is a better choice, and that is to create a competitive environment for your business by offering a private-sector solution. When you have a growing economy, and you have growing wages, and you have competition for workers, businesses will do the right things to try and keep their employees.

So with that, Mr. Chairman, I would just implore that the committee work in a bipartisan fashion, not to have a one-size-fits-all policy, but to create the environment where the private sector can offer solutions to this very, very important topic. And with

that I will yield back.

\*Chairman Neal. All right, thank you, Dr. Ferguson. Let me now recognize the gentlelady from California, Ms. Chu, to inquire.

\*Ms. Chu. -- supporting the FAMILY Act.

Thank you, Mr. Chair. Can you hear me? Oh, okay. Then I -- Mr. Chair, I enter this letter by the National Partnership for Women and Family into the records.

\*Mr. Beyer. [Presiding.] Without objection.

[The information follows:]

\*\*\*\*\*COMMITTEE INSERT\*\*\*\*\*

\*Ms. Chu. Okay, thank you to all the witnesses here today who have shared your personal stories with this committee. I am proud to say that I was in the state legislature in California when it became the first state in the nation to enact a six-week paid leave policy in 2004. The program has been such a great success, serving as a model for other states to follow since. In fact, it has been so successful that California expanded the program to provide eight weeks of paid leave, starting in 2020.

This policy helped Stephanie and Kevin, parents from my district who welcomed their first child in 2018. Stephanie is a marriage and family therapist, and says she considers herself lucky that California is one of the states with a paid family leave program, and she found it essential to care for herself and bond with her newborn son during his first months of life.

And significantly, California guaranteed six weeks of paid leave, allowing her husband, Kevin, to combine this leave with sick and vacation time to take 12 weeks of paid leave. Kevin, as a father, had the ability to spend the first months of his son's life getting to know his child, and help his wife during this critically important time. This would not have been possible without California's paid leave program.

But we need to go a step further to ensure that everyone has access to paid leave and finish the work we started in California back in 2004. We need a national paid leave policy to ensure that all workers, including public employees, have the same protections as Kevin and Stephanie, and that paid leave access doesn't depend on which state you live in.

And finally, our national policy needs to protect employment so that no one can be fired for taking paid leave when they need to.

And while California is the leader in paid leave coverage, we still have a long way to go in terms of universal childcare.

So, Ms. Braga, thank you for your testimony. While it is wonderful that your union

negotiated to secure you a childcare stipend, can you talk about the process of looking for childcare?

Have you found it easy to find affordable childcare in the LA area?

Are there enough providers, and are they located in areas that are convenient for your family?

Have your brother and sister-in-law been able to find affordable childcare, as a family with two parents working as nurses?

\*Ms. Braga. For me, currently, my kids are between the ages of 12 and 16, so it is a little harder for me to find, you know, certain places to put them for after-school, especially during COVID.

So my brothers and sisters and -- you know, who have become part of our union, are childcare providers. So I do know some of them. It is just that right now I am intransigent, so I am still trying to figure out where I will be living, and then figure out where I can get childcare for my daughter, and my son, as well.

So it is hard to figure it out, just as a single -- just as a person. Imagine somebody who knows nothing about, you know, unions, just an individual, to have to figure out how to find childcare in their neighborhood, they would have to, you know, drive around their neighborhood and figure out, okay, is this a safe-enough place for my child to stay in?

I think that there should be better access to childcare for all working parents, so that they don't have to worry to do it themselves. It should be part of either their job, or, you know, their union, as well.

For me, I know my union, you know, negotiated for leave. But because I ran out, you know, I am worried about what if another emergency happens, right? And then I have -- I would have no income. And then, having to, you know, balance work, as well as worrying about childcare, and care for another person, you know, that shouldn't be

something that anybody should have to deal with, you know, worrying about childcare or work or, you know, taking care of your elderly parent and work, or, you know, somebody else in your family and work. It shouldn't be and/or. It should be both should be taken care of, without having to choose.

\*Ms. Chu. Thank you, and I yield back.

\*Mr. Beyer. Thank you, Congresswoman Chu. The chair now recognizes the gentleman from Illinois, Mr. Schneider, for his inquiry.

\*Mr. Schneider. Thank you, Mr. Chairman, and I want to thank Chairman Neal and the ranking member for having this hearing.

I, in particular, want to thank our witnesses for passionately and compellingly sharing your stories about how the pandemic has strained working families, and highlighting the urgent need for paid leave and affordable childcare across the country.

I have received heart-wrenching messages from constituents in every corner of my district about the obstacles they have faced during the pandemic, like the women testifying before us today. I have heard from an essential worker and mother trying to manage remote learning for her kindergarten-aged daughter. I have heard from a mother whose work hours were cut while her childcare costs increased because her children no longer had access to afterschool programs. I heard from a woman whose immunocompromised mother could no longer assist with childcare, because she had to uphold strict safety measures to avoid getting COVID.

For these reasons many women all over the country have had to leave the workforce to tend to additional childcare responsibilities, or care for their elderly relatives.

So to go to questions, Ms. Neitzel, I would like to turn to you, if I can touch. You started your business in 2008, you mentioned in your testimony. And from reading about it and, quite honestly, going and researching it a little bit more, the -- it appears you bring

your passion and values to your business, that it was important that you create a community within the Molly Moon Ice Cream family. Is that a fair statement?

\*Ms. Neitzel. Yes.

\*Mr. Schneider. And you talked about this idea that the lack of access to paid leave is creating an inability or an increased detachment of women from the workforce. And in your case, it would be from a community. And if you wouldn't mind, I would love to ask you to expand about what that detachment -- some of the implications for your employees, in your own case, or others can see from not being attached to the workforce or a community.

\*Ms. Neitzel. Thank you for the question. Yes, I think that employers become absolutely a huge part of someone's -- in someone's community. Many of my employees work at Molly Moon's because their friends or their cousins or their sisters started working at Molly Moon's and told them about what a great place to work, and the great pay and benefits that we have.

So being detached from your employer and having to be thrown back out into looking for a job, that can really stop a woman or any worker in their tracks.

And it is also incredibly difficult on kids. Kids' mental health depends on their parents being stable, and babies need bonding time with their mothers and fathers.

And then those workers need to come back to work, knowing that their kids are healthy and well cared for, and being able to focus on work, which -- paid family leave creates that opportunity.

\*Mr. Schneider. Thank you, and I will just share my own personal experience. My son turned 28 last week, but 28 years ago I was able to take 6 weeks to have that bonding time with him. And to this day, it has benefits. So I think it is important. It is not just women; it is parents being able to have that ability.

But you also talked about how the Families First Coronavirus Emergency Response Act, the FFCRA, and the American Rescue Plan have helped your business. Can you go a little bit more into that, on how that has helped, how it has helped maintain your community, and create the opportunity for your employees to have the stability and foundation that comes with being part of that?

\*Ms. Neitzel. Yes, the FFCRA program was wonderful, and has been wonderful, and continues to be wonderful for a community of mothers that I employ. And they have bonded with each other, you know, via Slack and email and texts, as they have been home, remote schooling.

The woman I talked about before, with the 11-year-old quadruplets, I mean, we have all been asking her, "How are you doing remote school? It is so hard." And sharing stories of -- I have other employees who are moms who have kids with ADHD, as I am just starting my journey as a mom trying to get treatment for my daughter. The community is everything. And staying connected to your employer is so important.

But I will say about tax credits, I am a mid-sized business, and I can afford to wait for the money. But ideally, a federal system would work like our state one, where the worker gets paid from the program, and the business doesn't have to wait for a tax credit to come back, because many small businesses cannot wait for tax credits, and it messes with our cash flow.

\*Mr. Schneider. And I will just share, when I had my small business, we invested in short-term disability, long-term disability, and having that confidence that, God forbid, something happened to an employee, in that case -- but it is different than what we are talking about, family leave that is not covered, and having that.

And that community is important, that bonding time is important. The need to take care of oneself is important.

And it is good we invest in R&D tax credits because we want to see our economy grow. We need to invest in people just as much.

So again, I want to thank everybody for sharing their time today. It is important to hear these stories.

And I yield back the balance of my time.

\*Chairman Neal. [Presiding.] Thank you. Let me recognize Mr. Smucker to inquire.

\*Mr. Smucker. Thank you, Chairman Neal. You caught me by surprise there, I had to unmute. But I really appreciate you holding this hearing.

And to each of the witnesses, thank you for sharing your story, your stories. You know, we really want to ensure that you have the opportunity to work in a job that allows you to provide for your family and your kids in the way that you intend, allows you to spend the time with them that you want to spend the time with. And so we want to work to solve these problems for you.

And I just -- you know, for myself, I probably never can quite understand what it would be like to be a single mom and be working and providing for your kids at the same time. But I certainly want to try to do so.

I do want to -- just a few observations here. I think there is a couple of problems we are talking about. One is the ongoing childcare that you are faced with, the cost of childcare when you are working, and you need to have that care for your child at the same time, and sort of the delta between the cost, if you will. So that is an ongoing problem, where -- we have to solve it.

It is -- the formula is simple. Either we have to raise the wages to a point where you can afford it, or we have to drive down the cost of childcare somehow, through government subsidies, or competition, or whatever it may be. And I have supported, at the



state level, in the state senate, funding for childcare to help drive down the cost.

But, you know, to your point, Ms. Spencer, I think you said, "Invest in me, invest in my ability to earn more, to provide what I need." So it is that delta between the cost. That that one problem we have to deal with.

And by the way -- others have raised this -- it is why I am so proud of the work that we did with the Tax Cuts and Jobs Act that did raise wages for the first time in a long time, an average -- maybe not for a single mother, but for an average household, about \$5,000 increase in wages in a 2-year period. That is a significant difference.

One other concern I have is it seems the cost you are talking about, childcare, it seems like it has increased dramatically over a few-year period. And I don't know why that is. I know I was on the Labor Committee, and the cost of college has increased well above the cost of inflation. And I think, in that case, it is a little bit directly related to all of the government funding that has gone into it. So I would like to try to figure that one out.

But then the other problem we have is you want to be able to spend time -- well, first of all, if you have a medical problem, you want to be able to have time off, and know that your family can still be cared for. If you have family members who are sick, you want to be able to spend time with them. Certainly, if you have a child, you want to be able to spend time with them. And so we want to ensure that there are policies in place that allow you to do that.

And Ms. Neitzel, is it? I was a business owner, as well, over 100 employees, as well. So your story resonated with me. And I just really appreciate that you took the time, even before a government policy, to try to solve that problem for your businesses. So I think that is great. And I think other business owners who want to invest in their employees will do the same thing.

You did say, I believe, you want the government -- I don't want to put words in

your mouth, but you want the government to take on that program because it helps your bottom line. Am I right on that?

\*Ms. Neitzel. That is part of the reason I would like to see a federal program.

\*Mr. Smucker. And do you think -- we talk about government providing for this. You believe we should do a payroll tax of some sort, correct?

\*Ms. Neitzel. There are many ways it could be funded, a tax on just big business, or the wealthy, or a small payroll tax like we have in the State of Washington.

\*Mr. Smucker. Yes. I guess what I want to remind folks of is that it is not governments, it is other employees. It is taxpayers who will be paying that. So, essentially, Ms. Neitzel, you would be asking all of your employees to pay a small amount, each of them, to help with others who may need the service.

\*Ms. Neitzel. Yes.

\*Mr. Smucker. Is that right?

\*Ms. Neitzel. That is how it works in the State of Washington, and our employees love it.

\*Mr. Smucker. So you want to push the cost off to your employees, rather than paying it as an employer?

\*Ms. Neitzel. It is a shared cost. I pay part of the payroll tax, and they pay part of the payroll tax. They pay less than a dollar a week.

\*Mr. Smucker. When you were providing this -- and this is a question that I need to have answered, I know I won't have time now -- did you look at some of the short-term insurance products that would have provided that service?

Did they work?

\*Ms. Neitzel. They were outrageously expensive, and far more expensive than us just funding the program ourselves.

\*Mr. Smucker. Yes, and I am probably out of time here, but I just want to say again, you know, we want to solve this problem. It is a matter of what is the best way to do it. And is a government program the best way to do it?

Are there -- or are there other mechanisms that don't rely on employees, you know, seeing less wages in their pockets. So I think this is a very important discussion to have, and I appreciate, Mr. Chairman, you having this discussion.

I look forward to, hopefully, working together to try to solve this for these women, and many others who are in the same situation. Thank you.

\*Chairman Neal. I thank the gentleman. Let me recognize the gentleman from New York, Mr. Suozzi, to inquire.

\*Mr. Suozzi. Thank you, Mr. Chairman.

I know this has been a long hearing, and you have all been on there for such a long time, so thank you so much to all of our witnesses. I know that it is not easy to just stay in the same place all that time. I actually had to go leave during the hearing a couple of times to go to do other things, so -- you have been stuck here.

I am 100 percent on board with you. Anything I can do to be helpful I will do. I think this is a unique time in history. I think that, you know, we need to keep on educating people that we are the only industrialized country in the world that doesn't have paid family leave. We just should be saying that over and over. We are the United States of America, and we are the only place in the world that doesn't have -- a major country that doesn't have paid family leave.

I think that the pandemic has, you know, exacerbated all of our problems, but it has also educated people about why this problem exists, and the effects of it, and how important the work of mothers and parents are, and the effect that the pandemic has had on there, as far as their careers.

I think this is an important time because we are getting 10,000 new senior citizens every day. Everyday Baby Boomers are becoming over 65, and we have got a long-term care crisis coming to take care of our parents. You know, they say we are the sandwich generation because you are taking care of the kids and you are taking care of the parents both, and you are squashed in between them. I call it the panini generation, because it is, like, squished down, it is kind of mushy with cheeses melting out. It is kind of messy.

So we really have to -- got to figure out how we are going to take care of all these senior citizens. And at the same time that this is all happening, we have got a major effort by the SEIU and labor, the labor movement, saying this is an opportunity for us to create a whole new generation of middle-class women of color, because, as you have pointed out in your testimony, a lot of caregivers are often women of color, both for children and for senior citizens, in childcare and in home health care.

So this is an opportunity for us to take all these things that are happening, your personal stories that are exemplifying all of that, and an organized movement by labor, and a president who gets this -- the President understands this problem. We just need to figure out how to take all these things together and put it into a plan. That is why we are so lucky that our chairman is paying attention to this, and our members are paying attention to this.

So I am not going to ask any questions, because you have been here for so long. I just wanted to give my little speech, and just say thank you very much for being here today and sharing with all of us. Thank you very much.

\*Chairman Neal. I thank the gentleman. Let me recognize the gentleman from California, Mr. Panetta, to inquire.

\*Mr. Panetta. Thank you, Mr. Chairman, I appreciate this opportunity to have a few minutes to talk about what we have heard during this almost three-and-a-half -- almost four-hour hearing. We truly appreciate that.

And let me also thank my colleague, Tom Suozzi, for not going on too long, so I can make this vote that was just called.

And, of course, let me thank all of the witnesses for your time and your participation, and everything that you have done, obviously, during the pandemic, but your endurance before, during, and after the pandemic. So thank you very much.

You have clearly highlighted many of the unique challenges of what you face, and what men and women face during the pandemic, and with the lack of paid leave. And that transcends, I do believe, gender.

And what I mean by that is I spoke to a constituent, or constituent that I know of, named Danny Contreras. He has a wife and now has three lovely kids. And on the first two kids, he took paid leave, and was able to take paid leave from his job. But he got promoted. And then the position -- basically, he wasn't -- because of his change in his position, he wasn't paying into paid leave.

And so he had a third kid and, unfortunately, the third kid had complications, not just to his to his third child, but to his wife, as well. And he didn't have the paid leave there, so he had to take vacation days. Then he had to take unpaid workdays. And then he had to finally got -- he got furloughed in order to provide that care that is necessary.

And so clearly, clearly, I think, you know, what we have been talking about today, and the lack of universal paid leave, has an effect on every district, every county, and every family is what we are hearing. And therefore, we definitely need to try to do something about it.

Let me just quickly ask Rebecca Gonzalez. Rebecca, I know you -- I wanted to kind of highlight what you have been doing. You obviously, in your childcare -- as a childcare business owner, you know, you are in -- you have a subsidy program. You are fully enrolled in a subsidy program. Yet can you explain why you earn an average of \$4 an

hour, even though you are fully enrolled?

\*Ms. Gonzalez. Hi, so -- can you hear me?

\*Mr. Panetta. Yes.

\*Ms. Gonzalez. Okay, yes. So when you calculate, it is, like, 30, \$35 flat rate that we get per child. So when you divide that in between the 8 or 10 hours that we offer service, it becomes -- if you make the math, it would become, like, 3 and change, or \$4.

\*Mr. Panetta. Okay, and do you have other expenses that you could charge more?

I mean, can you charge more to cover these prices?

\*Ms. Gonzalez. Sometimes you could charge more, but living in a community where parents usually get vouchers and stuff like that, there is no way that you could charge them extra money, because they are basically working to meet --

[Audio malfunction.]

\*Mr. Panetta. Okay, okay, great. I have to go vote. Once again, ladies, thank you very much for what you have highlighted, and thank you for everything that you have done and will continue to do in order to make sure that, not just you and your families and your businesses have paid leave, but everybody does. Thank you.

\*Chairman Neal. I thank the gentleman.

\*Mr. Panetta. I yield back.

\*Chairman Neal. I thank the gentleman. Let me recognize the gentleman from Oklahoma, Mr. Hern, to inquire.

\*Mr. Hern. Thank you, Mr. Chairman, for having this hearing. And thank you to the witnesses here today for sharing your personal perspective and staying on for four hours. It is very difficult to do. We really appreciate you talking to us.

We all agree that, when people have a medical emergency and/or are starting a family, that they should be able to take time off from work. It is a strong bipartisan issue,

so we shouldn't have a hard time coming together to find a bipartisan way to pay for it. There are so few issues in Congress that are so bipartisan.

Most of my colleagues on this committee only have experience as being the regulator, and not the regulated. As a job creator and a small business owner for 35 years prior to my getting in Congress 2 years ago, I have seen the impact of government regulations on both business owners and employees.

In 1993, Congress passed a law requiring employers to provide 12 to 26 weeks of leave without a pay requirement. In December 2019, the NDAA mandated 3 months of paid family leave for federal employees, which went into effect in October of last year. Under COVID legislation, employers with less than 500 employees were recognized -- required to provide paid sick and family leave with a payroll tax credit available through September of this year.

What has happened, historically, is we start with legislation that impacts federal employees only. Big business will follow after, in order to compete, and because they can afford to match what the government does. Small businesses are left behind, because they don't have the profit levels to compete with businesses that have these big benefits, and the government can provide those pretty easily.

Often times federal regulations are made with big business in mind, since small businesses can't afford to hire powerful lobbyists to protect their interests. Small businesses are left behind in an effort to regulate big business. We need to be careful that we don't repeat our prior mistakes here.

What worries me about this payroll tax, which I would like to point out is completely contrary to President Biden's talking point that no one making over \$400,000 -- or under \$400,000 will be impacted by tax increases. But this payroll tax to provide for paid leave opens businesses up to a nightmare of fraudulent claims.

And just please listen to what I have to say here. If employees are paying into a system that provides 60 days of paid leave, they are going to demand that leave, whether it is warranted or not. And if they are not paying into it, is there any recourse to pay it back when they don't use it?

Let's take an employee in his or her thirties. They are healthy, they are single. Their parents are healthy. There is not a need for them to use paid leave. But they are paying just as much into the system as their coworker who had a child this year, or their coworker who needed to take time off when their dad got a hip replacement. Don't you think they will find a reason possible to get that benefit their coworkers are receiving, the same benefit that they are paying for?

So now you have got employees finding excuses to use that paid leave because they are paying for it anyway, right?

Do you go around and police your staff? Do you verify their wife is actually having a child, demand doctor's notes, ask for photographic evidence that they are actually taking care of a relative? How do you verify that employees are using paid leave for its intended purposes? You simply can't.

Some of my colleagues will argue that some fraud is cost -- is the cost we pay for a mass benefit. But I also would argue that they are not the one who has to bear the burden of the fraud. Big business can afford it, but small businesses can't handle it. When you have got a small operation of 10 employees, just 1 or 2 taking a week off for any reason, be it vacation, maternity leave, or sick leave, can be enough to cripple a business, or even shut it down.

Of course, we can absorb an employee's workload in the federal government. There are almost two million federal employees. It is not a problem for big business, either. They have large-enough workforces to observe -- to absorb the workload. But small



businesses don't have that luxury.

We need to look at the group that will see the most harm from our policies, and that is small businesses. And to work to build a policy from that standpoint, we can bifurcate that -- we can't bifurcate that strategy for small and big businesses separately. If it works for small business, it will work for big businesses, too. But not the other way around.

I want to thank the chairman and ranking member for hosting this hearing today, it is so important. I hope we can all commit to working together to find a bipartisan solution that helps our workers without harming our small businesses.

As my colleague said just prior to me, we are the only industrialized nation in the world that doesn't have a family -- a paid family medical leave. America has always been the best place to start a business and a family. Let's keep it that way.

I yield back.

\*Chairman Neal. I thank the gentleman. Let me recognize the gentleman from Nevada, Mr. Horsford, to inquire.

\*Mr. Horsford. Thank you so much, Mr. Chairman, for holding this important hearing, and to our panel.

Now, more than ever, we find ourselves in a dire situation in this country, where we lack the infrastructure and support systems needed to make sure every working family has access to paid leave or affordable childcare. And COVID-19 has only brought these issues to light. The barriers and obstacles that women -- people of color, in particular -- face in this country are extremely concerning. The public health crisis has thrown our nation's inequities into sharp focus and illustrated the deadly effects of unequal access to paid leave.

I want to spend a bit of time sharing the stories of two of my constituents. Tona Wesley is a single mom of a 10-year-old and a 2-year-old, and currently works as a support staff member for the Clark County School District. Tona is on the waiting list for Head

Start and has not been able to secure a childcare subsidy to pay for other options. She cannot afford to pay the full rate without a subsidy and has missed work due to lack of childcare. Tona can't even accept a summer position with the school district because she has no access to affordable childcare, no babysitter, and no family locally to assist her.

Access to paid leave and childcare is also an issue for my constituent, Rachel Leidy, in the rural part of my district in Nye County. Rachel is also a single mother of two children and works full-time. When in-person learning resumed for her children, she was given short notice about the school schedule. She found out her children would go to school in person for two days, and spend the remaining days at home, virtually learning.

At that moment, Rachel had no options for childcare, and was faced with the difficult decision of resigning from her position at her job. The City of Pahrump has very few childcare options, and none of those options would help with virtual schooling. Rachel scrambled for any kind of babysitter she could find, because she could not afford the very few options that were in town. Rachel told me she was in a desperate situation.

I share these two stories because, just like the witnesses we have present in front of us today, women all across the country are being forced into difficult situations when it comes to not having access to affordable childcare.

Even before the pandemic, working parents in the United States struggled to find childcare that was affordable, good quality, and matched their work schedules. The average cost of childcare for children under 5 ranges from 7,000 to \$17,000 per year, depending upon the state and locality, making it prohibitively expensive for even many middle-income families.

In addition to issues with childcare access, the lack of national paid leave has exacerbated harms to the health and economic lives of people of color, particularly women before and during this pandemic. The lack of access to paid leave drives workers out of the

labor force, especially women, who shoulder much of the family caregiving responsibilities.

With Black and Latino workers among the least likely to have access to employer-provided paid leave, ensuring universal access to paid family and medical leave is also a racial equity issue.

So I strongly support paid leave for all Americans, which will accelerate our recovery from the pandemic. Establishing paid family and medical leave programs can address the health and economic inequities experienced by people of color throughout the United States.

So I want to thank all of you for joining us. And as we close out this hearing, I want to give each of you the floor to tell us, in the final moments, why your children, why Tona, why Rachel, and all those that you represent are in need to have Congress pass legislation that provides affordable access to paid leave and childcare.

[Pause.]

\*Mr. Horsford. Any one of our panelists can respond to why -- just give us one last point of why Congress needs to act now.

\*Ms. Fauteaux. I would personally like to say that, you know, it is not personal failings, but we need to recognize that it is a system failure that has put us in this place. And if we don't fix these systemic and equity problems that have put us here in the first place -- and it is really the pandemic that has moved it to the forefront, but we have been struggling with this for so long. If we don't act now, then the pit that we are going to be in is going to be impossible to dig ourselves out of.

It is very important that we get on this, especially paid family medical leave, now.

\*Mr. Horsford. Thank you very much.

\*Ms. Fauteaux. Thank you.

\*Mr. Horsford. I appreciate your insight.

Thank you, Mr. Chairman, and I yield back.

\*Chairman Neal. I thank the gentleman. Let me recognize the gentlelady from the Virgin Islands, Ms. Plaskett, to inquire.

\*Ms. Plaskett. Thank you very much, Mr. Chairman, for convening this really important hearing. I think this is such an important issue, and I am grateful that this committee, as well as the Administration, are taking this on.

It seems to be such a hard task for so many other individuals to be able to understand that this type of investigation is really an investment in America. It really is an investment in our future.

I can speak about this firsthand in a way that maybe some of my other colleagues cannot. I have been a working mother with small children and been concerned about childcare. I found myself, after undergrad, going to law -- just making the decision to go to law school, going at night while having a full-time job in the day, and having children that were toddlers and kindergarten at the time, but believing that if I did this, this would be an investment in all of our future.

I am so grateful that I had a village, that I had support -- individuals, friends, and family -- who were willing to take on that burden with me, some of them volunteering to watch my children in the evening or those hours in between work and classes.

The childcare was an incredibly -- very strong decision-maker as to what I could and could not do. I can recall one time in law school, in my second year, having to make the tough decision to ask my parents, who had recently retired, if they would take my children for several months because I could no longer provide them with childcare. One of them was not school age at that time. I still needed childcare. My husband at the time and I could not afford law school. We worked in low-paying jobs, and struggling at work, and

having small children, and making this investment.

Having government-supported childcare would have been a tremendous relief to us and may have allowed me to make decisions that I wasn't able to make, able to have options that I wasn't able to have, make decisions about where -- and freedoms that I could have been able to utilize, and making career decisions that I didn't, because we didn't have that childcare option.

And so I am really grateful to these witnesses for stepping forward and talking about the struggle, and the investment, and the importance of childcare and paid leave.

I think about times that, you know, I didn't have the leave, and had to go back to work much earlier than I would have liked to with my children. It is a touchy subject, but I can remember being in bathroom stalls, pumping milk, while my children were three months old, knowing that I had to do that to provide them with what I felt was the healthiest options, but not having the support to be able to stay at home, which should have been the best option for myself and my child during that time to bond.

You know, being a stressed-out parent because you are worried about the finances, not just about your work and your child alone.

One of the witnesses that spoke -- and I just really wanted to commend you -- was Ms. Molly Moon, the small business owner.

You did mention that one of your children has autism and ADHD. I want to talk with you about the additional support and needs. You know, is it harder to find appropriate childcare for those reasons?

And what are the challenges of finding childcare for children with special needs?

\*Ms. Neitzel. Thank you for that question. Yes, it is incredibly hard, and especially during the pandemic. Our daughter was diagnosed during the pandemic. And while I typically make a very good salary, I went many, many months without paying

myself because my business was closed and suffering.

And so I was fortunate -- I couldn't find a public program to send my daughter to that could cater to her autism. And I was fortunate enough that my husband's parents have paid for her to go to a private school. But none of my friends or co-workers have those kinds of resources, and I know many autistic children who are suffering today because they can't find care.

\*Ms. Plaskett. Thank you, thank you for that. That is an incredible, additional need that I know that so many families have.

And Mr. Chair, Chairman Neal, I am just so grateful to you for affording us the opportunity to have these discussions with these incredible women, and the experts who are working on this. And, you know, I just would really impress upon my colleagues to -- not just to be pro-birth, but pro the entirety of a child's life, the entirety of our children's life. That would be being pro-life.

\*Chairman Neal. Thank you.

\*Ms. Plaskett. Thank you very much.

\*Chairman Neal. I thank the gentlelady.

\*Ms. Plaskett. I yield back.

\*Chairman Neal. Let me recognize the gentlelady from West Virginia, Mrs. Miller, to inquire.

\*Mrs. Miller. Thank you, Chairman Neal and Ranking Member Walorski, and thank you to all of you all, you witnesses today, for being here for this very important meeting. I think we have had some really good conversations, and I think we are not only talking, but we are listening to each other. And that is the most important part.

West Virginia is made up of many, many small businesses. We are a small state. Wendy McCuskey is the owner and operator of Geraniums, a women's boutique of clothing

in Charleston, West Virginia. Geraniums has been around for about 30 years, and it is the largest clothing boutique in the state. Wendy has eight part-time employees helping her run and maintain her small business. And she has two of the cutest little girls that she brings to work when kindergarten and preschool are canceled.

Since the onset of the pandemic, she has been struggling with running her business and caring for her girls. Her six-year-old has been in and out of school since August, and sometimes Wendy isn't notified of the closure until that day. With no growth in her business, and dealing with her daughters at the store, Wendy has difficulty getting anything accomplished.

During the time when most businesses have been transitioning into a post-COVID market, Wendy barely has time to upload more inventory onto her website. Wendy has said, "My husband and I were thinking about opening a second store. The possibility of canceling and replacing school with Zoom is detrimental for business, as well as the well-being of our children."

"For our employees in high school, and our kids in kindergarten and pre-K, school is their whole world. We don't really think of it as important, but in terms of small business growth, I pay all types of fees and taxes each month. Raising taxes is not a way to grow small business. It would kill us. Governments don't create jobs. People create jobs. We can't grow our small business without an open school and an open economy."

Ms. Smith, we need to make sure all communities are helped, especially those in rural areas, where childcare can be most scarce. Did these recent investments do anything to address rural disparities or childcare gaps in low population density areas?

\*Ms. Smith. I think it is a little bit hard -- early to ask -- or to answer that question. We do know that states have been spending money in rural areas and trying to shore up childcare.

One of the things that we know about childcare in rural areas, we have done work on mapping childcare, and trying to determine what the gap is. And the gap is definitely, as a percentage, larger in rural parts of this country than in our urban and suburban areas. So we do have a ways to go.

We have been looking at family childcare, trying to support family childcare providers to provide some of this care. How do we incentivize them? They are small businesses. So there are a number of options the states have been looking at and trying to support.

I think, with no -- almost no exception, the states that I have talked to have come to the conclusion that we do need to support family childcare for, you know, a lot of -- in a lot of areas in our country.

The other thing that I wanted to just say before we get off the subject, and I do think it is important, is that the gap for childcare across this country, and especially for infant/toddler care, is getting, you know, almost worse by the day. We talk about paid leave, and if we get paid leave, and then -- for example, where do parents go when their leave has expired? And we have almost no infant/toddler care available in some parts of our country.

So I think all of these things need to be part of a continuum that we try to address, as we move forward between where this paid leave and maternity/paternity leave kick in, and then where do we go from there into childcare, and especially infant care in this country.

\*Mrs. Miller. Well, this actually leads into my next question, because you have done extensive research on childcare access and affordability based off of parent experiences, and you are quick to remind policymakers that we should be listening to parents like Wendy to hear what they need. What does your survey data suggest, in terms



of what rural parents are asking for when it comes to childcare?

\*Mrs. Miller. It -- the parents are pretty clear on this one. They are asking for flexibility. And I think that we have heard that from the witnesses here today, that flexibility, in terms of childcare, is what they really need, and that is an important factor for them.

And then the second thing that parents are really asking for, and it, again, has been put out here consistently, is affordability. Parents are struggling with the cost of care, and especially in rural areas, and the access to it. And I think we just really have got to get some concrete solutions in our rural parts of this country to help with this.

\*Mrs. Miller. Thank you very much, Mr. Chairman, I yield back.

\*Chairman Neal. I thank the gentlelady. Let me recognize the gentleman from California, Mr. Gomez, to inquire.

\*Mr. Gomez. Thank you, Mr. Chairman, for not only holding this important hearing today, but also for centering the stories of women who are often excluded from decisions impacting their lives.

I also want to thank all of our storytellers here today for your advocacy, and for sharing your stories with us.

We have known for a while that implementing universal paid leave and childcare is critical to protection of American families. They are especially critical for women, particularly for women of color.

I request unanimous consent to turn to the -- to submit for the record a report from the National Partnership for Women and Families outlining how the lack of national paid leave has exacerbated harms to the health and economic lives of people of color, particularly women, before and during the pandemic.

\*Chairman Neal. So ordered.

[The information follows:]

\*\*\*\*\*COMMITTEE INSERT\*\*\*\*\*

\*Mr. Gomez. Universal paid leave is necessary to meet the health and family demands of women without jeopardizing their economic security. But unfortunately, in the United States, only nine states and D.C. and my home state of California included a bill that I was proud to have authored in 2015, as a California State assembly member -- have passed into law that ensured paid leave is equitably accessible for working families.

And these laws have made a difference. They have impacted real lives. My constituent from downtown LA, Jana Wright, a mother of three, is an example of that impact. When Jana was pregnant with her second daughter, she lived in Florida with her husband and an 18-month-old little girl. Florida does not have paid family leave. During this pregnancy Jana was placed in bed rest three weeks prior to her delivery, due to severe morning sickness that lasted throughout the day. Because Florida doesn't have paid family leave, she was forced to work remotely up until the day she delivered.

She had no paid family leave options, other than the maximum six weeks paid leave through a company insurance policy. Her husband was unable to take any leave to bond with their new baby. He took off two vacation days to be with Jana, and then returned to work. Jana had then to care for the newborn and an 18-month-old at home alone, while recovering from birth.

Jana's story was completely different in California when she had her third child. During this pregnancy, Jana was diagnosed with a health condition. This time, her doctor was able to help her take four weeks of paid leave before her delivery date, and an additional three months after delivery to bond with her baby. All of the leaves she took she was paid for.

And upon finishing the leave, she was able to return to work because it was protected. That meant Jana was not consumed with the protection of her economic security, and instead was able to focus on her energy and on her newborn child and family.

And it is clear from the stories that -- from our witnesses -- that Jana isn't alone. This is not a unique situation. Our witnesses have illustrated the barriers and obstacles they face in an economy that does not guarantee paid leave or childcare, a challenge that has been highlighted during the pandemic, a challenge that has been -- could have been avoided, had all families had the privilege to access the paid leave policies offered by some states.

Ms. Braga is one of my constituents from Highland Park.

Thank you so much for sharing that story. I had one question. Your family had already -- has had a really hard time dealing with the pandemic's effects. Do you think having access to more or better paid leave would have helped your family cope?

\*Ms. Braga. Yes, I believe that it would have helped. You know, I am lucky to have some paid leave, but I became -- it became stressful when my leave ran out. The last paycheck I had before going back to work was \$198. I don't think anybody can survive anywhere with \$198, you know, thinking about rent, utilities, your car payments, and your insurance.

You know, my income went down, because -- and -- but my family's needs, you know, for care remained the same. So people shouldn't have to make that difficult choice between sacrificing income or sacrificing care of their families.

\*Mr. Gomez. Thank you. And this -- these are stories that are just repeated over and over again. Even when I was seven years old, I ended up in the hospital with pneumonia because my parents had to miss work shifts, and they also -- the hospital bills, we almost bankrupted my family when I was seven years old. It is the reason why I fought for paid family leave when I was in California.

But we need to make sure that the people who need the most help, often the lower-income people, have higher wage replacements with job protection, and know how to fill

out the program and get access to the program.

With that, Mr. Chairman, thank you so much for having this hearing on this important issue. I yield back.

\*Chairman Neal. I thank the gentleman. Let me take a moment to thank our witnesses for superb testimony. As I noted earlier, I think there was broad agreement on the nature of the problem and challenges in front of us, even as we try to sift and sort possible solutions here. Your input is invaluable. And I thought that you summed up the nature of the challenge eloquently today, so thank you.

And I want to thank the members for, I thought, offering good, good questions today, and observations.

Members have two weeks to submit written questions to be answered later in writing. Those questions and your answers will be made part of the formal hearing record.

With that, the Ways and Means Committee stands adjourned.

[Whereupon, at 4:31 p.m., the committee was adjourned.]

Submissions for the Record follow:

[A Better Balance Submission](#)

[ACLI](#)

[AFT](#)

[Ascend at the Aspen Institute](#)

[Center for Public Justice](#)

[CLASP](#)

[ERIC](#)

[Family Forward](#)

[FHI](#)

[Fiscal Equity Center](#)

[IWPR](#)

[Legal Aid at Work](#)

[Levi Strauss & Co.](#)

[MomsRising](#)

[NAFCC](#)

[NARAL](#)

[NCJW](#)

[NETWORK Lobby](#)

[NMSS](#)

[NPWF](#)

[NWLC](#)

[Oxfam](#)

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[Professor Ann Bartel](#) Part 1

[Professor Ann Bartel](#) Part 2

[RAC](#)

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[TCF](#)

[The Leadership Conference on Civil and Human Rights](#)

[Trust for Americas Health](#)

[USBC](#)