

Back to Work Virginia: Child Care Recovery and Renaissance Task Force



Meeting Two (of six)

June 26, 2020

Zoom Functions

We'll keep participants on mute;

Please unmute yourself if you'd like to speak.

Please turn on your video if you're comfortable.



We'll use the chat function throughout the session; Feel free to ask questions and make comments during our session.



Meeting Two Agenda

Welcome, Introductions, Opening Comments	11:30
Senator Tim Kaine Comments, Discussion	11:35
Overview of Employer/Working Parent Views	11:50
Employer Research, Recommendations, Discussion	11:55
BPC Research, Recommendations, Discussion	12:25
Resolution, Wrap Up, Adjourn	1:00

Chair Welcome and Reminder of Charge

- **Impact and implications of child care for Virginia's workforce and economic productivity and quality of life**
 - Government
 - **Business/Employers and Economic Developers**
 - Philanthropy
 - Communities
- **Three Horizons**
 - Pre-pandemic (original, insufficient system)
 - Pandemic era (disrupted system)
 - Future state (re-imagined system)

Senator Tim Kaine - Comments

Speaker: Sen. Kaine

Duration: 5 minutes

Senator Tim Kaine – Member Discussion

Speaker: Sen. Kaine and Task Force Members

Duration: 10 minutes

Overview of Employer/Working Parent Views

Employer Perspective

Pre-pandemic:

- *Greatest concern related to child care; best strategy for addressing*

Pandemic era:

- *Greatest challenge related to child care; best idea for creative solution*

Future state:

- *Greatest opportunity/lever for child care as strong, stable part of society's critical infrastructure and asset for employers*

Employer Research – Findings

Jeff Capizzano

Policy Equity Group

Washington, DC



THE

POLICY EQUITY

GROUP

EMPOWERING THE SOCIALLY CONSCIOUS

Employer Perspectives on the Child Care Needs of Virginia's Workforce: Insights and Task Force Recommendations

Jeffrey Capizzano

President

Back-to-Work Virginia Task Force Meeting

June 26, 2020

Findings and Recommendations Are Based On...

BUSINESS LEADER INTERVIEWS (2019)



- ▶ **Representatives from six large Virginia companies:**
 - Food processing
 - Defense
 - Manufacturing
 - Equipment supply
- ▶ **Current policies, practices, & concerns**

LITERATURE REVIEW (2019)



- ▶ **Business management literature**
- ▶ **Family-friendly policies of industry leaders**
- ▶ **Case studies**

PANDEMIC RESPONSE SURVEY (2020)



- ▶ **Survey of Virginia businesses**
- ▶ **Implementation of family-friendly policies**
 - Pre-pandemic
 - During pandemic
 - Anticipated post-pandemic
- ▶ **Barriers & resources needed to support employees**

Key Findings from 2019 Study

Child care was a universal problem for employers before the pandemic.

I don't need data to tell me that child care is a problem or not... Of course it is. The question I need to ask myself is how do I want to address it.

- *HR Representative*

All you need is a snow day when the schools and centers are closed but we are still running to understand [the impact].

- *HR Representative*

Key Findings (2019 Study)

Three large barriers to supporting the child care needs of employees

COST/EQUITY: Added expense where the benefit is not distributed equally among employees.

LIABILITY: Employers worried about increased liability of on-site child care, especially at work sites where dangerous work happens.

EXPERTISE: Employers lack knowledge about the child care landscape (quality, supply, state resources, etc.) and knowledge about employee child care needs.

Key Findings (2019 Study)

Effective child care supports meet specific needs and priorities of families

Companies are most successful when they tailor solutions to employee needs

LULU'S CHILD ENRICHMENT CENTER MITCHELL GOLD + BOB WILLIAMS FURNISHINGS

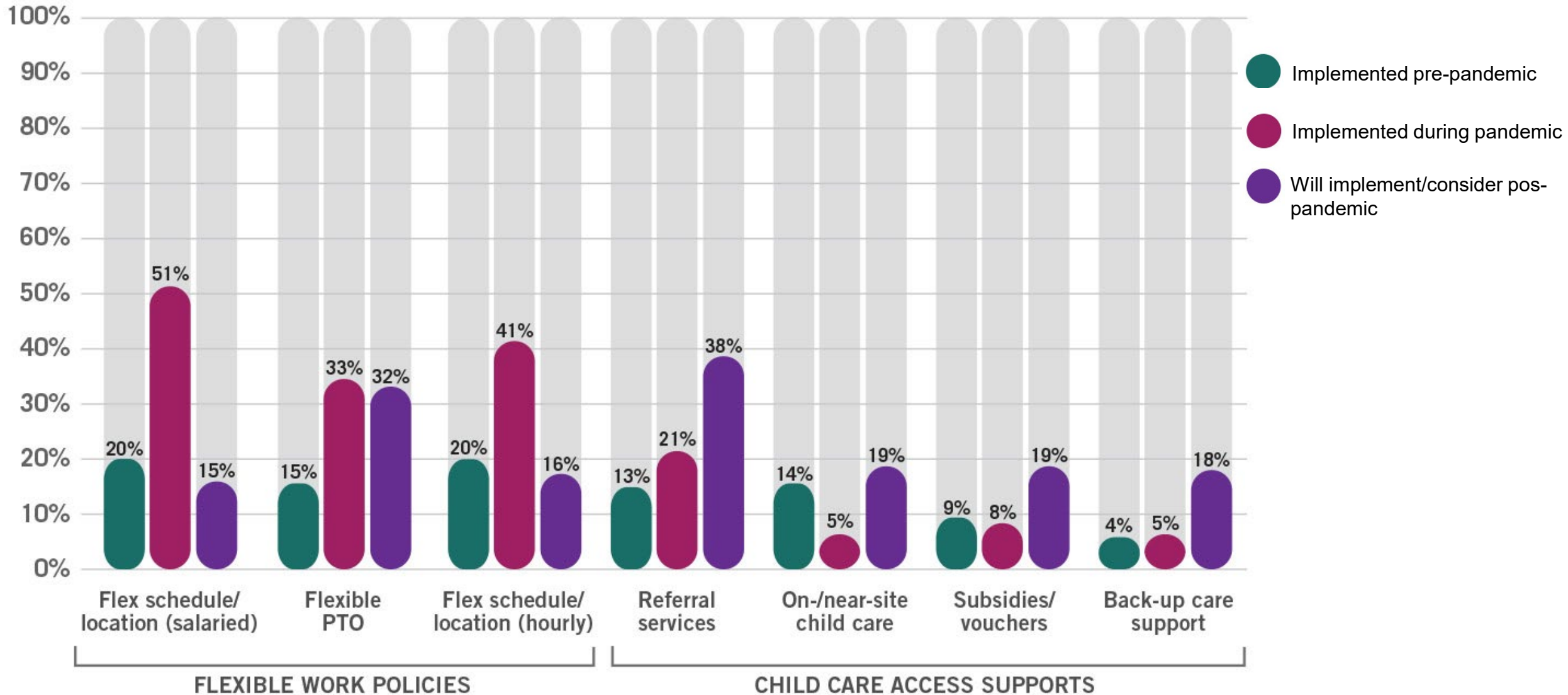
- Internally operated, on-site child care center
- Designed to meet employee needs for regular, ongoing care
- Location and flexible schedule of center support family needs
- National model for on-site care and key piece of company's brand, retention, and productivity

UNSUCCESSFUL MODEL FOOD SERVICE COMPANY

- Near-site child care center operated by child care partner
- Well-funded and advertised, but poorly attended by employee families
- Failed to take into account employee preferences for relative care and lack of interest in center-based care

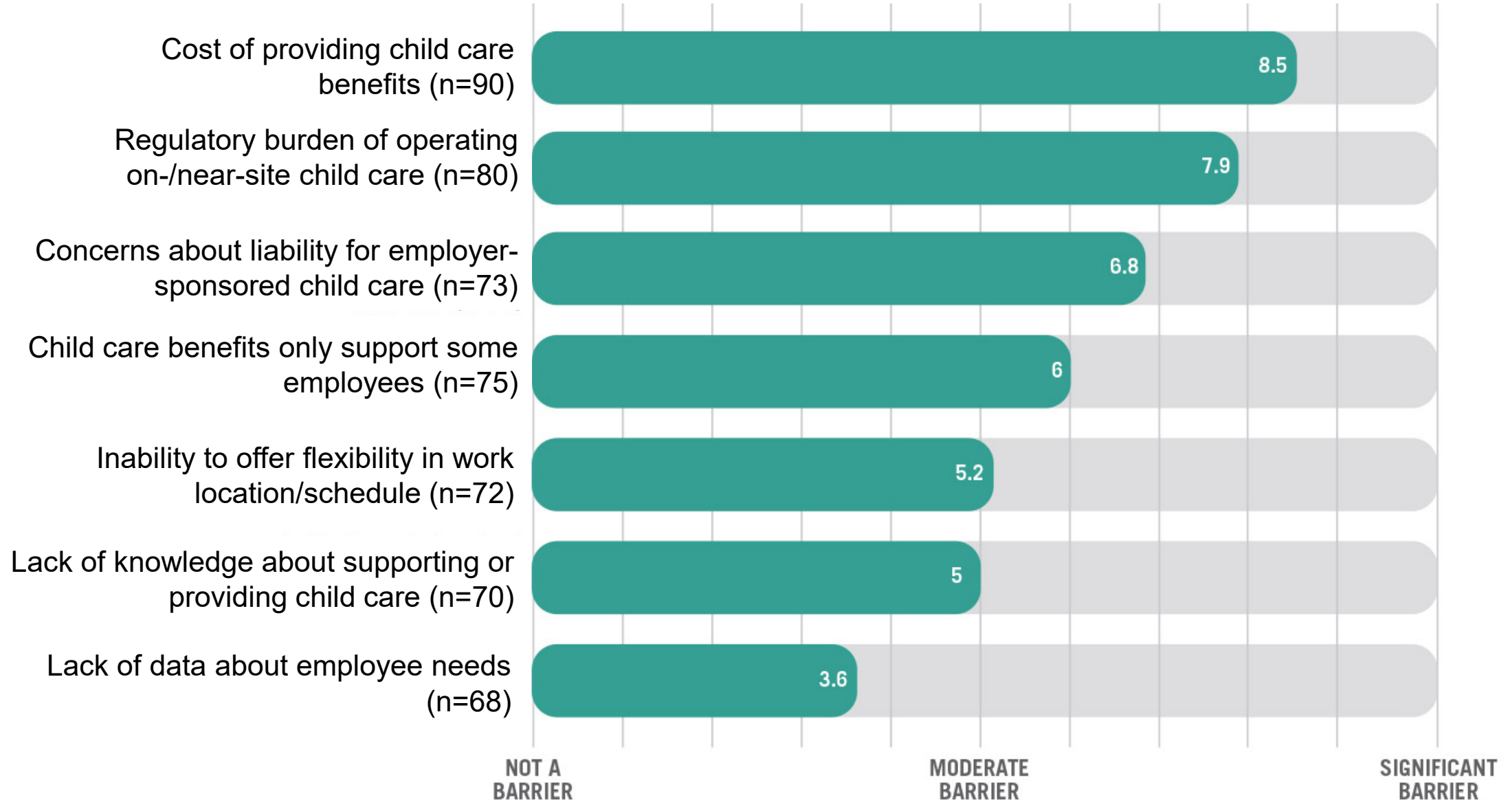
Key Findings (2020 Survey)

Changes in Employers' Policies and Practices as a Result of COVID-19



Key Findings (2020 Survey)

Specific Barriers Still Thwart Employers' Support of Child Care





Recommendation 1: Explore innovative solutions
Pursue partnerships with organizations that facilitate employers' support of employee child care needs

A

WONDERSCHOOL

- Curated network of home-based providers
- Search tools for parents to meet their care needs
- Quality supports for child care providers

B

CARE@WORK (CARE.COM)

- Partners with companies to meet employees' back-up and ongoing care needs
- Networks of in-home, family child care, and center-based options

C

BRIDGECARE

- Manages employee benefits such as dependent care FSAs
- Customized child care search for employees



Recommendation 2: Leverage policy

Advocate for new supports and capitalize on existing incentives to support employer responses to employee child care needs

A

NEW STATE TAX CREDIT

- Advocate for child care contribution tax credits for businesses
- Qualified expenses could include:
 - Establishing/operating on-site care
 - Employee vouchers
 - Supporting quality improvement for child care providers

B

FEDERAL TAX INCENTIVES

- Flexible Spending Accounts
- Dependent Care Assistance Plans
- Employer child care subsidies
- Child care referral services
- Employer child care
 - Start-up expenses
 - Capital expenses
 - Business expenses



Recommendation 3: Fund technical assistance

Provide guidance to employers around implementing best practices and meeting employees' specific needs

A

CARE CENSUS

- Ascertain caregiver roles and needs of employees
- Learn how employees view/use current benefits and identify unmet needs
- Link solutions to specific employee needs

B

AWARENESS OF RESOURCES

- Support access to state and federal resources dedicated to the child care needs of working families

C

GUIDANCE AROUND BEST PRACTICES

- Repository of best practices (e.g., employer toolkit)
- Targeted coaching/technical assistance supports for implementation

Discussion & Questions

Jeffrey Capizzano
President
The Policy Equity Group
JeffreyC@PolicyEquity.com

Employer Research – Member Discussion

Speakers: Task Force Members Duration: 15 minutes

Bipartisan Policy Center - Findings

- Linda Smith

Bipartisan Policy Center - Discussion

Speaker: Task Force Members Duration: 15 minutes

Resolution and Recommendations

How Can Business Lead?

- Pressure on Congress and the State
- VA Chamber Recommendations
 - Support Child Care Needs of Employees with State-Employer Partnerships
 - Stabilize Child Care Sector -- Staffed Child Care Networks/Contracts
 - On- or Near-Site Centers

What do we need to know?

- **Impact and implications of child care for Virginia's workforce and economic productivity and quality of life**
 - **Government**
 - Business/Employers and Economic Developers
 - Philanthropy
 - Communities
- Relevant data, research, survey, polling?
- Additional expertise/perspective?
- Add to membership? To resource bench?

Adjourn

- Next Meeting: July 24, 2020