Budget Hearing for the DC Council Committee of the Whole

May 3rd, 2024

Funding for the Early Educator Pay Equity Fund

Written Testimony By William Alsup,

Senior Managing Director, Hines (retired) (May 1, 2024)

My name is Bill Alsup, and I am the founding manager of development firm Hines' office in DC (I am now retired). I am also a long-time resident of DC's Ward 3. My entire 37-year-career has focused on creating buildings that contribute to a prosperous District of Columbia. I have also served in a variety of leadership roles in organizations such as the Federal City Council, DC Chamber of Commerce, and DC Building Industry Association. **However, I emphasize that these remarks are my own opinion.**

I endorse the Mayor's and Council's goal of attracting young families to live and work in DC, and I also believe that **quality, reliable child care is as essential to achieving that goal as any other piece of infrastructure**. Quality child care has many benefits - it helps young children learn, parents work, and businesses operate. I am here to ask you to protect the Early Educator Pay Equity Fund, which is necessary for a thriving child care sector.

I call your attention to a report released this past March, conducted by a national polling firm and an academic economist, both from outside DC, "The High Cost of Unaffordable Child Care: Impacts on DC's Businesses, Families and Taxpayers." It found that child care problems for parents of children under 3 led to hundreds of millions of dollars in costs every year. These costs include employment set-backs for parents, including extremely destructive outcomes such as being fired or unable to progress in their careers. They include hiring and productivity costs for businesses, and negative impacts on tax revenues from wage loss.

These numbers don't even include the harm to children of lacking stable, quality care that builds young minds.

Another recent study, from January 2024, conducted by the Reinvestment Fund, found that DC only has 41% of the infant-toddler child care slots it needs now. Cutting the Pay Equity Fund would surely worsen that situation.

I'd also like to call your attention to a recent national poll from April 2024 by Small Business Majority, that found child care to be a top concern for small businesses. The poll found that more than 6 in 10 agreed that their employees' childcare issues have affected their ability to do their job as efficiently as both the employer and employee would like. DC's situation could be very similar.

Through the Birth-to-Three For All DC Act of 2018, Mayor Bowser and the DC Council made a commitment to early educators to gradually raise their wages to recognize their credentials and experience in the field. An increased tax on high earners, enacted in 2022, was represented as being a source of funding for the Early Educator Pay Equity Fund, and I pay that tax. I am not asking for new funding or programs. I am asking you to support our vitally important, established commitments to our children, parents, educators and businesses, in service of a bright future for the District.

Thank you.