

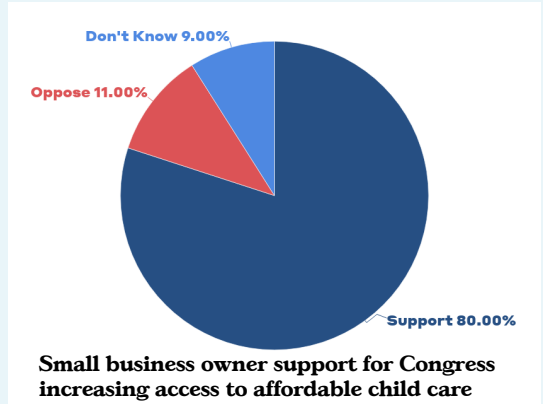
Child Care

Key Takeaways

- COVID-19 underscored the essential nature of child care and the difficulties in ensuring that high quality care is accessible and affordable. For small child care providers, the pandemic also highlighted the deficiencies in the basic business model of child care.
- Small business owners who want to help their employees with child care face a complex policy landscape that often doesn't work for small businesses. Existing policies aren't used by many because of low awareness, high cost, or market gaps.
- Federal policymakers should consider ways to help small businesses support their employees' child care needs while addressing the flaws in the child care business model.

Source: Goldman Sachs 10,000 Small Business Voices national survey, January 2022.

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"I've had a desire to provide child care for years. For now, it doesn't make any sense financially." - Small Business Owner
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Policy Options

- Incentivize and support pooling among small businesses to contract with child care providers.
- Provide greater assistance to small businesses and small business child care providers in understanding what benefits are available.
- Enhance existing tax credits for small businesses to access and sponsor child care.
- Decouple Dependent Care Assistance Plans and the Child and Dependent Care Tax Credit.