



April 2, 2025

To: House Committee on Delivery of Government Efficiency

Re: Testimony FOR House Bill 3963

Good afternoon, Chairman Capriglione, Vice Chair Bhojani and Members,

My name is Kelle Kieschnick and I am the Vice President of Policy with the Texas Business Leadership Council testifying in support of House Bill 3963. We are a non-partisan, statewide network of business leaders advancing policies to support a more globally competitive Texas.

Our current disjointed early childhood system costs Texas businesses \$10 billion annually in lost productivity. **A more efficient system would better support families, boost economic output and better prepare children for future education and workforce success.** The first critical step to move in that direction is to have accurate, comprehensive data to inform strategic decision-making.

We strongly support HB 3963, as we believe it takes this crucial step toward enhancing our understanding of the early education infrastructure that underpins workforce participation and supports sustained business growth across the state.

The provisions within HB 3963 will provide a comprehensive understanding of early childhood programs and generate critical insights that are currently lacking in our state. This information is essential for identifying gaps in the early education infrastructure that directly impact workforce participation, business productivity, and long-term economic growth. A clear picture of service availability will help **ensure that working parents can fully participate in the workforce and that Texas continues to build a strong pipeline of future talent** so that we can continue to be globally competitive.

HB 3963 will enable policymakers to make informed decisions regarding resource allocation, infrastructure development, and governance changes to address challenges in our current system.

HB 3963 takes careful steps to ensure privacy and security remain paramount, while providing necessary information to empower policymakers. It also allows for the

development of targeted solutions that address regional service disparities to meet the unique needs of communities across Texas.

This bill provides an economic development tool to help businesses make decisions about where to locate to provide employees with access to high-quality childcare and early education options to ensure a competitive workplace.

An **Early Childhood Integrated Data System (ECIDS)** can ensure that Texas maximizes every dollar spent on early childhood education - reliable, accessible childcare is foundational to a thriving economy. When families have access to safe, affordable, high-quality early learning opportunities, parents can fully participate in the workforce. This leads to **increased workforce stability**, reduced work absenteeism, and **higher productivity across Texas businesses**.

Moreover, **high-quality early childhood education lays the groundwork for the future workforce** by building essential foundational skills from an early age. Business leaders understand that today's early learners are tomorrow's employees, innovators, and leaders. **Strategic, data-informed investments in Texas's early childhood system are investments in long-term economic competitiveness** for our state.

We commend you, Chairman Capriglione, for this bill and your commitment to a data-driven approach to policy change. **HB 3963 presents an opportunity to strengthen the Texas workforce, empower families, and advance a more globally competitive Texas.**

Respectfully,

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