

S.B. 248 Child Care Expansion Act

Sen. Escamilla

Overview: S.B. 248 creates a **public-private partnership** to expand childcare capacity by retrofitting an existing state-owned building and leasing it to a private employer that will contract with a licensed Utah childcare provider to operate the center.

Location: Tax Commission Building
210 N 1950 W, Salt Lake City, UT 84134

DFCM has already completed a feasibility study and plan for this site.

The Issue

- Utah's **declining fertility rate** is directly tied to lack of access to affordable childcare.
- Employers across sectors report that childcare shortages make it harder to recruit and retain workers in Utah.
- The state faces workforce retention challenges and we are working collectively to be competitive with the private sector.
- The Salt Lake Chamber estimates childcare breakdowns cost Utah's economy **\$1.36 billion annually** and result in **\$258 million in lost tax revenue**.

Role of the State

- Retrofits the building after contracting with a private employer to ensure the building meets safety and licensing standards for children.
- Continues to do basic facility maintenance through DFCM, consistent with how other state buildings are maintained (including the Cannon Childcare Center).
- Leases the building to a private entity.

In exchange: 50% of childcare slots are reserved for state employees, military, and community members.

Role of the Private Sector

- Contracts with a Utah-based licensed childcare provider.
- Operates and manages the center.
- Holds all operational liability.
- Pays lease for the building.
- Receives 50% of slots for employees.

This is not a government-run childcare program. The state's role is limited to investing in retrofitting and leasing an existing vacant building, while private employers and licensed providers operate and manage the center through a public-private partnership.