



FAMILY FORWARD
OREGON

Smart policies for today's families.

To: Joint Ways & Means Subcommittee on Human Services
From: Family Forward
Date: March 30, 2021
RE: EMPLOYMENT RELATED DAY CARE

Co-Chairs Lieber and Nosse and Members of the Committee:

My name is Lisa Kwon, representing Family Forward Oregon. We are an organization focused on strengthening the economic security of mothers and caregivers. In our work with mothers, families and caregivers over the years, reliable access to high-quality, affordable child care has emerged over and over as one of the most pressing issues facing families all over our state.

Family Forward requests that the Employment Related Day Care (ERDC) be funded at the highest possible level to help working low-income families afford child care. Under COVID, families qualify with income up to 250% of the Federal Poverty Level. Typically to qualify for this program, families must have income that is less than 185 percent of the Federal Poverty Level. For a family of three, this would be \$40,188 annual income. Without this assistance, child care costs easily exceed 50% of these families' income. And without ERDC, low-income parents would not be able to work their way into higher paying jobs in the future. This program is essential to helping families escape poverty. It is often the final type of public assistance a family receives before leaving the TANF program and is the most critical factor on whether TANF parents succeed in employment.

Research shows that investing in caregiving systems produces twice as many jobs per dollar invested than physical infrastructure investment.¹ A recent report by the U.S. Chamber of Commerce Foundation found that 40 percent of employers are not confident that everyone in their workforce will return to work post-pandemic, and of these, 79 percent cited the availability of child care as a central factor.² Child care is a foundational element of our state's economy; however, it is rapidly shrinking. Every county in the state is a child care desert, even more pronounced in rural communities.

Child care is not just about helping parents work. It is also about supporting early learning and school readiness for children that come from low-income families. Child care provides a structured learning environment that helps children develop emotionally, socially, and intellectually. Fifty-nine percent of the children in ERDC are from the ages of zero to five years. Forty percent are from six to twelve years of age.

¹ [Investing in Care: A Strategy for Effective and Equitable Job Creation](#)

² [U.S. Chamber of Commerce Foundation: Employers, Childcare, & Returning to Work in COVID-19](#)



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Finally, it is important to understand the importance of anti-poverty programs like ERDC through an equity lens. According to DHS, women face higher rates of poverty. Fifty percent of single mothers who are BIPOC live in poverty. One in four BIPOC Oregonians fall below the federal poverty threshold. Many families that rely on ERDC are women and BIPOC. Many providers in ERDC are BIPOC. The COVID pandemic hit these communities disproportionately with higher infection rates and the hardest economically from job loss. When we make difficult budget decisions like cutting funding to balance the budget or investing in anti-poverty programs, we cannot afford to not examine how the impacts are experienced distinctly by gender, race, and geography.

Family Forward asks that you do everything in your power as budget writers to invest in ERDC. This includes reducing co-pays, increasing the number of eligible ERDC slots, and raising reimbursement rates for providers. Thank you.

*Submitted by Lisa Kwon, Policy Manager
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