



Smart policies for today's families.

Testimony for the House Committee on Rules
April 27, 2021

Chair Smith Warner, Vice Chairs Holvey and Drazen, and Members of the Committee,

My name is Courtney Helstein, I am the Political Director of Family Forward Oregon. We are an organization that organizes mothers and caregivers and prioritizes changing systems to better support care and caregivers. We are also members of the Child for Oregon Coalition, a coalition of nonprofit organizations, labor unions, community advocates, parents, caregivers and providers working to respond to the COVID-19 child care crisis and build a comprehensive child care system in Oregon. Through our organization's work, and the work of the coalition, we have consistently heard from parents and child care providers alike that our state's child care system is in crisis—and has been long before the pandemic. Currently, we lack a long-term and comprehensive plan to address the child care crisis to scale. However, HB 3073A and the -A4 amendment before you today aim to respond to this crisis, organize our state's response, and begin the process of building the system our state's families and providers need.

Before providing background on the bill and -A4 amendment, I first want to provide context to the crisis we face. With child care we see a clear example of a market failure. Families can't afford child care, even when they do qualify for a subsidy. Child care providers, who are disproportionately women, and Black, Indigenous, people of color, and immigrants, earn less than \$12 per hour. Children experience unstable care due to high turnover in the field and a child care system that doesn't meet their family's needs. You have probably heard that child care is unaffordable and wages for providers are low, but let me say more about what that means:

- Child care for two children — an infant and a 4-year-old — costs \$20,109. That's 2 times the average rent in Oregon.
- Infant care in Oregon costs, on average, 31.4% more per year than in-state tuition for a 4-year public college.
- Child care workers are paid so poorly that 53% of them nationally rely on one or more public benefits, whether Food Stamps, Medicaid, EITC, or TANF.

This has only been exacerbated during COVID — where we have lost close to half of our pre-COVID child care supply. We have seen the impact this, combined with other factors, is having on maternal employment. Women account for the majority of jobs lost during the COVID crisis, though there has been a clear disproportionate impact on Black and Latinx mothers who are losing more jobs and remaining unemployed longer. Without concerted focus, I worry that national and state efforts

toward economic recovery will miss the mothers who have been most impacted by this crisis, prolonging the impacts of this recession for their families.

This leads me to the importance of House Bill 3073A and the -A4 amendment. The bill comes to you from the House Committee on Early Childhood where it passed out of committee unanimously, with a do-pass recommendation and the understanding that the amendment before you today would be needed. However, the origins of the bill can be traced back to 2019 with the passage of House Bill 2346, which created the Joint Task Force on Access to Affordable Quality Child Care. The Task Force included state lawmakers, early care and education providers, early childhood and family advocates, business leaders, and parents. The Task Force produced a report in December of 2020 and from the recommendations of the report came HB 2503 and HB 3073, which were combined into HB 3073A, which is before you today. Adopting the -A4 amendment will complete the process of combining these two bills.

HB 3073A and -A4 amendment streamlines governance by housing our state's largest subsidy program, Employment Related Day Care (ERDC), with other early learning and child care programs. This realignment will allow for a more seamless coordination and coverage of services and allows the state to be strategic about allocating an influx of federal funds and purchasing child care to rebuild the sector after devastating losses during the pandemic. It will also provide immediate relief to our most vulnerable families trying to access child care during the recession by reforming the ERDC program to better serve children, parents, and providers doing this critical work by:

- Ensure affordability for parents by capping copays to no more than 7% of a family's income.
- Increase the flexibility of the program for parents to utilize child care assistance outside of working hours; covering periods of unemployment or underemployment, encouraging the utilization of education and job training programs; and prioritizing the continuity of care for children over punitive disruptions in care.
- Expand access to all children, regardless of documentation status.
- Protect eligibility for children for at least one year, increasing financial stability for providers and continuity of care for children.
- Provide financial stability to providers by paying based on enrollment—not attendance, and moving toward a rate setting model for providers based on the true cost of care.

While I am only one policy advocate, I encourage the committee to read the dozens of parents and providers from across Oregon who have shared their experiences with our child care system in the submitted testimony today. Their stories demonstrate the breadth and severity of this crisis from the perspective of providers in this field and from parents whose first-hand experiences will help illuminate some of the challenges we need to face. HB 3073A and the -A4 amendment are an essential first steps in solving the child care crisis, and necessary to signal a longer-term commitment to resolving this crisis for Oregon. **Thank you and I urge your support for HB 3073 and the -A4 amendment.**