



To: Joint Committee on Ways & Means Subcommittee on Capital Construction
From: Dana Hepper, Director of Policy & Advocacy, Children's Institute
Date: Friday, May 5, 2023
Re: Child Care Infrastructure Fund ([House Bill 3005](#))

Chairs Holvey & Girod, members of the committee,

My name is Dana Hepper, and I am the Director of Policy & Advocacy at the Children's Institute. We envision an Oregon where every child has the love, care, and education they need.

Child care and preschool facilities are essential community infrastructure.

Our entire economy is dependent on equitable access to child care and preschool. Like roads and bridges, affordable, quality early learning and care is necessary infrastructure. Child care is the work that enables all other work, and this essential infrastructure is important to solve our workforce crisis and to allow families to become financially resilient.

- **Parents** need care that provides a peace of mind that their children are learning and loved.
- **Employers** need their employees to have access to reliable, affordable care so they can work.
- **Children** need care that supports their wellbeing and the development of their brains and bodies to build a strong foundation that supports lifelong outcomes.

Right now, Oregon is facing a child care crisis.

This crisis existed before the pandemic, and Oregon lost 20% of our already limited child care capacity during COVID-19. Every county in Oregon is a child care desert for infants and toddlers, and the situation is not much better for families with older children. Solving this crisis is going to take strategies to serve more children and families, build the workforce, and expand facilities.

Child Care and Preschool Providers and Partners have a plan for child care facilities.

Quality child care and preschool facilities literally support children's developing brains, and they support the health, well-being and retention of child care and preschool educators. Yet, lack of access to financing and tight operating budgets have created barriers to creating stable, quality early learning facilities. Financing is least available to small rural providers, linguistically diverse providers, and culturally specific providers. This is why a [team of providers and partners](#) met for 6 months to identify solutions.

The Child Care Infrastructure Fund (HB 3005) is the cornerstone of the package of solutions.

We are requesting a \$110 million initial investment in this fund, with the majority of that funding coming from Lottery Bonds. The need for this funding is clear.

- A \$22 million fund at the Seeding Justice Foundation created by the legislature in 2022 received \$178 million in requests in the first round of applications.



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- We have already identified \$40 million in [shovel ready requests](#) who have submitted requests for Lottery Bond funding and more than \$40 million in requests that will quickly become shovel ready when the fund is created. We must invest adequate resources to make sure these funds are available in every corner of Oregon.

HB 3005 will:

- Establish the Child Care Infrastructure Fund at Business Oregon (\$100 million).
- Provide technical assistance and support through partners in coordination with the Department of Early Learning and Care (\$10 million).
- Leverage federal, local, and private financing to expand the reach of state dollars.
- Make funds available for all types of care in Oregon's mixed delivery system, including home-based, center-based, school/ESD-based, community organization-based, Head Start/OPK, and co-located programs, to serve children and families well.
- Provide funding for every step of the process: securing sites, design, repair, renovations, construction, climate and energy efficiency improvements.
- Prioritize projects that meet Oregon's greatest early learning & care needs.

HB 3005 SUPPORTERS

Adelante Mujeres
Albina Head Start
Alliance for Equity in Montessori Education
Children's Institute
Child Care for Oregon
Coalition of Communities of Color
East Cascade Works
FACT Oregon
Family Forward Oregon
Fight Crime: Invest in Kids
Foundations for a Better Oregon
Happy Go Lucky Child Care
Healthy Families Oregon Coalition
IRCO
Latino Network
Metropolitan Family Service
Metropolitan Mayors Association
Multnomah County
Nurse-Family Partnership
Oregon Association for the Education of
Young Children
Oregon Association of Education Service
Districts
Oregon Association of Relief Nurseries

Oregon Child Care Association
Oregon Early Learning Hub Association
Oregon Food Bank
Oregon Head Start Association
Oregon Montessori Association
Oregon Public Health Institute
Our Children Oregon
SVP Portland
Reach Out & Read
Right From the Start
ReadyNation

For more information, contact:

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