

Oregon moms and caregivers fighting for gender, economic, and racial justice.

To: House Committee on Higher Education and Workforce Development From: Family Forward Oregon Date: February 11, 2025 RE: In Support of HB 3008

Chair Hudson, Vice-Chairs Fragala and Harbick, and members of the committee,

My name is Marchel Marcos, and I am the Political Director for Family Forward and the Co-Chair to the Child Care for Oregon Coalition. I am also a single parent of two children ages 12 and 9.

Thank you for the opportunity to testify in support of HB 3008, our Child Care Workforce Package. Child care is the workforce behind the workforce and historically child care providers have been underpaid and undervalued. In fact, the average wage for individuals working in child care centers in Oregon is \$35,820, which is \$17.22 per hour. For home-based child care businesses, annual revenue in 2021 was \$21,252 with net earnings being only \$11,906 after operational costs.<sup>1</sup> In comparison, current data shows the average hourly wage for food service workers in Oregon is \$21 per hour.<sup>2</sup>

House Bill 3008, the child care workforce package, would continue to fund the recognition bonus payments passed by the Legislature in 2022 that provide \$500 to providers each year for the next two years. \$500 is not enough to cover the atrocious wage gap but it's a start. In just the first year this recognition bonus program supported over 15,000 child care workers statewide and as you'll read through submitted testimonies from child care providers across the state – for many this helped them pay a household bill or invest back into their business.

<sup>&</sup>lt;sup>1</sup> Child Care in State Economies Report Series, Part 2: Trends in Child Care Industry Revenue and Employment

<sup>2</sup> https://www.ziprecruiter.com/Salaries/Fast-Food-Worker-Salary--in-Oregon

According to the 2024 Oregon Talent Assessment, the child care workforce has the largest labor gap of any industry statewide.<sup>3</sup> This shortage has severe consequences for the families who rely on child care, the employers who rely on this workforce to keep their businesses afloat, and our economy as a whole. Having the child care recognition bonus also serves as a recruitment and retention tool to address this gap while we continue to look at ways to increase wages.

Child care workers are the backbone of our society, caring for our youngest and most vulnerable citizens. The total economic impact the child care industry had in Oregon in 2022 was \$1.97 billion dollars.<sup>4</sup> Yet, they are grossly underpaid, making just half of what other workers make in other industries. They lack essential benefits like health insurance and retirement, and a lot of the time, these workers are left without access to paid sick days despite having a high likelihood of getting sick from working with kids. This is unacceptable.

Moreover, the pathways to entering the child care workforce are often inaccessible and inequitable. While everyone should have the opportunity to pursue a higher education if they so desire to, pursuing a higher-education degree often leads to debt. When you look at the average pay of a child care worker, it just doesn't seem to be a feasible option. That's why apprenticeships are a game-changer. These apprenticeships provide hands-on training and a high-quality education for interested workers, and also provide mentorship and coaching, paid stipends for the work that they do under the apprenticeship, and college credit so that if they choose to continue with their education, they have some college credit with them to help them gain a head start.

House Bill 3008 funds apprenticeship programs across the state, producing high-quality child care workers who are equipped to meet the needs of our communities. By investing in these programs, we're not only addressing the

<sup>&</sup>lt;sup>4</sup> U.S. Census Bureau, Bureau of Economic Analysis, and RegionTrack calculations.



<sup>&</sup>lt;sup>3</sup> https://www.oregon.gov/highered/strategy-research/Documents/Reports/2024-talent-assessment.pdf

labor gap but also ensuring that our child care workforce is diverse, skilled, and dedicated.

Family Forward and the entire Child Care for Oregon coalition urge you to pass HB 3008. This bill is a critical step towards recognizing the value of child care workers, supporting their well-being, and building a more equitable and sustainable workforce. By doing so, we're not only improving the lives of child care workers but also creating a brighter future for our children, families, and communities.

Thank you.

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