

To: House Early Childhood & Human Services Committee
From: Dana Hepper, Children's Institute
Date: Tuesday, February 18, 2025
Re: HB 3496 – Best Practices Guide for Citing & Incentivizing Child Care

Chair Hartman, Vice Chairs Scharf & Nguyen, and members of the Committee,

My name is Dana Hepper, and I am the Director of Policy & Advocacy at the Children's Institute. Our vision is to make Oregon the best place to be a kid. Thank you for the opportunity to testify in support of House Bill 3496. I want to express my appreciation to Rep. Marsh for her partnership in getting the bill to this place, and to many of you on the committee for being Sponsors and Chief Sponsors!

As this committee well knows, early childhood experiences set the foundation for a child's life – establishing critical brain infrastructure. Child care plays a critical role in child development. And it plays a critical role in our society and economy, allowing parents to work and go to school. **Oregon kids, families, and businesses need child care.** Yet, most counties in Oregon are child care deserts.

To expand child care, we need workable physical locations, skilled workforce, and operating subsidies. **HB 3496 supports efforts to find suitable child care locations.** The legislation directs the Department of Land Conservation and Development to create model code and a best practice guide to make it easy for cities and counties to do the right thing – make it easier for child care providers to navigate local zoning, building code, and permitting processes.

This legislation aligns with the recommendations from the HB 2727 workgroup – which spent a year bringing local planning & building officials together with

child care providers to identify barriers and work toward mutually agreeable solutions.

Finally, I want to underscore the importance of this work for child care providers. Unrelated to this hearing, I received an e-mail out of the blue on Wednesday sharing the story of a child care provider (with expertise in serving children who are deaf and hard of hearing) struggling with local zoning and permitting processes. This is an excerpt from her e-mail:

*We hired an architect with experience in the permitting process for our building, in June, expecting a 2-3 month turnaround for the Change of Occupancy Permit. **Unfortunately, despite our best efforts, we've faced significant delays**, including two rounds of check sheet items from the city that have yet to result in an approvable design. As the delays mounted, I had to hire a project manager, increasing costs further. **What was originally expected to be a small project now faces escalating costs that are unsustainable for our school, especially given that we've already been paying \$2,400 per month in rent for the building since September without being able to utilize the space effectively.***

*We had set clear financial metrics based on the assumption that we would be able to expand our enrollment and generate revenue to cover the cost of the new building. However, **the ongoing delays have forced me into difficult financial decisions. I've taken out an additional loan and even started working a second job to keep our school afloat and support this critical project.** Despite these efforts, the financial losses continue to grow, and the situation has become untenable.*

I initially gave you a number of \$26,400 to cover the rent for the new building, but the true financial loss is much higher than that, with additional costs including project manager fees, and the increased rent payments, not to mention the lost opportunity to serve more students.

*At this point, we are in urgent need of financial assistance to help cover these unexpected costs, and I am hoping that, with your help, we can identify a solution to support the completion of this expansion. **The delays have left us with no choice but to continue paying rent on a space we cannot fully use. This situation directly impacts our ability to serve our students, and I'm concerned that without support, the long-term viability of this expansion and the school itself could be at risk.***