



Smart policies for today's families.

February 11, 2015

Testimony in Support of SB 47: Working Families Child Care Tax Credit
Submitted by Kate Newhall, Family Forward

Thank you for the opportunity to provide testimony in support of SB 47. **Family Forward supports renewing the Working Families Child Care Tax Credit.** We know that families with young children struggle with the high cost of childcare and this tax credit is vital, particularly for low-income families.

Family Forward is committed to advancing policies that support families and help them succeed, both in the workplace and at home. Our mission is to create a family-friendly Oregon where all families can be economically secure and have the time it takes for work and family responsibilities. Today, too many families are forced to sacrifice one or the other. Family Forward supports policies, like making childcare more affordable, that make economic stability and work-life balance more achievable for Oregon families.

It is no surprise to any working parent that childcare is far too expensive and unaffordable for too many Oregonians. **A 2013 report from the Oregon State University found that the median cost of child care can be nearly twice as much as college tuition at Oregon's public universities: \$11,064 per year for a toddler versus \$6,670 annual college tuition.**¹ This same report found that childcare costs in Oregon increased 10% from 2004 to 2012 while household incomes declined 9% (15% for single mothers). As wages fall and childcare expenses rise, more parents find themselves under severe financial stress and barely able to afford the care that enables them to keep working.

Childcare is one of the biggest budget items for working families – **the annual cost of child care for two-parent families is 18% of annual income and 61.6% of annual income for single-parent families**² – and frequently dictates whether a parent can afford to work outside the home or pursue education and training. The Working Families Child Care Tax Credit helps the families with the high cost of child care.

Family Forward supports SB 47 extending the sunset on the Working Families Child Care Tax Credit. Working families need access to affordable childcare services and we urge your support.

¹ "[Child Care and Education in Oregon and its Counties: 2012](#)," Oregon State University, 2013

² Child Care Aware. (2013). Parents and the High Cost of Child Care.