

June 18, 2015

Dear Co-chairs Bates & Nathanson and members of the committee,

Employment Related Day Care (ERDC) stabilizes and strengthens the Oregon families and provides a safe, enriching environment for our children. Parents entering the workforce improve the health and opportunity for their families and the productivity of businesses throughout the state. With ERDC parents can afford to work, keep their families strong, and their children safe and thriving. HB 2015 supplies the needed eligibility improvements and supplies these benefits to more families.

In October 2014 a reservation list for ERDC was started so that available funds would last through the biennium. As of June 2015, there are more than 3,800 families waiting for the opportunity to afford child care while they work. Without a child care subsidy, these families are at risk of losing employment and relying on state assistance.

What does HB 2015 do?

- **Removes the Cliff Effect** Currently when a family reaches 185% of the federal poverty level they lose their ERDC and SNAP benefits. Increasing the ERDC exit to 250% income level means the family will be more stable when the subsidy ends.
- **Provides One-year Protected Eligibility** A change in income or work hours would no longer force a family disruption to child care arrangement during the one-year period, which negatively impacts children and families. Families would still be required to report a change of child care provider during that period.
- **Covers the Self-employed** Low-income parents who are self-employed with occupations like housecleaners, cosmetologists, or delivery drivers would be added back to the program so they can afford child care as they grow their business.
- **Encourages Education** A parent bettering their employment prospects through education would receive ERDC for school hours in addition to their work hours.
- **Allows families to Choose Quality Care** By funding at the nationally recommended 75th percentile, families will be able to choose from a wide variety of providers in their area to meet the needs of their work and their child.
- **Incentivizes Better Care** Federal legislation requires Oregon to improve its child care services.
- **Reduces the Wait List** This month 3,821 families have signed up for ERDC services. Funding the bill at \$45 million will allow us to reduce the waitlist by almost one-quarter.

Every additional five million dollars for ERDC will allow an additional 250 families to come off the waitlist. The parents will join the workforce and the children will receive quality care.

We urge your support for HB 2015.

Thank you for your attention and work for Oregon.

AFSCME
Children First of Oregon
SEIU, Local 503



Cc: Co-Chair Bates
Co-Chair Nathanson
Senator Steiner Hayward
Senator Winters
Representative Boone
Representative Keny-Guyer
Representative Olson
Representative Stark