

Child Care Task Force DRAFT Problem Statement

(June 2020)

Problem Statement

Oregon's child care system is failing children, families, providers, and businesses. Prior to COVID-19, families struggled to find quality (culturally responsive, inclusive, supportive of social-emotional and cognitive development, healthy and safe) care that met their needs, and when they could find it, they couldn't afford it. While families couldn't afford care, child care providers were operating at razor-thin margins, resulting in poverty wages for child care providers. This situation was hurting businesses, as employers felt the consequences of employees struggling with care for their own children. Children were in unstable care arrangements and failing to receive the benefits of quality child care programs that were fully resourced to support positive child development.

COVID-19 has exacerbated Oregon's child care system crisis, creating additional financial strains on child care providers, reducing Oregon's already inadequate supply of quality care, and increasing the instability of care for many of Oregon's most vulnerable young children. Pre-COVID-19 all of Oregon was a child care desert for infant and toddler care and now about 35% of Oregon's licensed child care facilities remain closed, and according to national estimates 25% to 50% of them may never reopen. Without access to a supply of affordable, quality child care, Oregonians will be unable to go back to work, economic recovery will stall, and fewer children will enter kindergarten ready to succeed.

Family Cost & Governance of Child Care Programs

Families are the primary payors in Oregon's system. While publicly funded early care and education programs have helped, their current reach is not enough. Only 30% of families of eligible 3 and 4-year-old children are served in Oregon Pre-kindergarten (OPK) and Preschool Promise. In 2018, less than 16% of eligible families accessed Employment Related Day Care (ERDC) and even for these families, Oregon's 2nd highest in the nation co-pays make child care unaffordable. Additionally, the structure of public funding and administration creates challenges for providers and families as they navigate through multiple requirements and standards of different programs in different agencies.

Child Care Subsidies & Financial Stability for Child Care Providers

Child care subsidies do little to address the supply of child care, financial instability of child care programs, or child care facility needs. The struggles that families face in finding and paying for care flow directly from the financial struggles faced by child care providers. Child care programs can barely afford to stay in business based on what they are able to charge for tuition. Low compensation and low profit margins result in high turnover, making the challenges of supply even worse. While child care subsidies help offset the cost of care for parents, they provide limited financial stability for providers and do not provide the resources needed to support

quality, including adequate pay for their staff. COVID-19 has only increased these financial challenges, with additional cleaning costs and lowered group sizes causing a reduction in revenue.

Quality & Stability for Children and Child Care Workforce

While COVID-19 has accentuated Oregon's child care crisis, it has not diminished the importance of quality care that is culturally responsive, inclusive, supportive of social-emotional and cognitive development, and healthy and safe for children. The current situation has heightened the need for resources to ensure strong health and safety practices that minimize the public health risk to children, their families and providers. The emotional and financial stress of the current situation on families only make it more urgent that young children have access to stable quality arrangements that support their social-emotional needs. Children will only have access to this type of care if providers have access to adequate training, compensation and other resources to support the quality of care.

Principles for Oregon's Child Care System

These principles are informed by shared values: centering equity -- including equitable outcomes for all children and families, the incorporation of both provider and family voice, and the inclusion of children with disabilities; respecting and supporting families -- including meeting the needs of families and public solutions that relieve family payment burdens; respecting and supporting providers -- including fair compensation for providers and a commitment to a racially diverse workforce, and supporting children's social-emotional and cognitive development -- including high quality services that are culturally affirming.

Principle 1

Quality early care and education and school-age care are public goods supporting children's success in kindergarten and beyond.

Principle 2

Quality early education and school-age care are essential parts of the economic infrastructure supporting families, allowing them to work, increasing their stability and economic self-sufficiency and supporting local businesses by helping them find employees and ensuring those employees can consistently show up for work.

Principle 3

Because of the benefits of quality early care and education and school-age care, all children and families should have affordable access to quality early care and education and school-age care that meets their needs and preferences, is culturally and linguistically responsive, and inclusive of children with disabilities.

Principle 4

Because only quality early care and education and school-age programs deliver public benefits, early care and education programs must be resourced, supported and monitored to ensure quality.

Principle 5

Diverse, well compensated and supported providers/ educators are essential for quality early care and education and school-age care system that supports the healthy development of children.

Principle 6

Quality early care and education and school-age care can be delivered in a variety of settings including, child care centers, schools, Head Starts, family child care homes and Family, Friend and Neighbor (FFN) providers.

Principle 7

Child care providers need stable, adequate public financing in order to offer fair compensation to their staff and deliver quality early learning opportunities to children without charging parents more than they can afford.

Principle 8

All families should have access to quality early care and education and school-age care that is affordable. Public financing is needed as families cannot afford to continue to shoulder their current burden of the cost of quality early care and education and school-age care.