



Dear Chair Keny-Guyer, Vice Chairs Noble and Sanchez and members of the committee,

I am Eva Rippeteau, political coordinator for AFSCME Council 75 included in the 27,000 workers we represent statewide are Oregon's over 2,000 certified and registered in-home child care providers. Our child care providers' program sizes vary but collectively, I estimated late last night that we care for about 25,000 of Oregon's children¹ ranging in ages of 6 weeks to 12 years old. (I'm sure someone currently in this room can get you the actual numbers.) Thank you, for allowing me time to share our support for the child care bills before you today to address some of the critical needs in our child care system.

Child care providers do this work because they love kids. Unfortunately, love doesn't pay the bills. According to "Oregon's Care Economy: The Case for Public Care Investment" published two years ago this month, child care employees' median wage was \$9.30/hour². This would include employees in in-home programs and centers. Of course this has increased with minimum wage - but it is still a wage that certainly makes it hard to draw and keep people in the profession especially as education and training expectations increase. For Family Child Care Providers, that AFSCME represents, the report listed the median wage at \$5.58/hour.³ This happens because they are the ones running the businesses, we aren't required to pay ourselves minimum wage. That low hourly wage takes into account that we easily work 50-70 hours a week, taking care of kids, doing administrative work, shopping for food and supplies, connecting families with other services and supports, attending trainings, and numerous other tasks.

Providers are trained to increase rates annually, and to charge private pay families higher rates than the DHS child care subsidy rate to ensure that we are covering our costs and not creating a situation where we have to raise rates too much all at once. However, the providers who do charge a higher rate are still not able to charge a rate that covers the true cost of care. The reality is that many of us don't charge our private pay families more than the DHS rate because our families simply can't afford to pay any more and when the cost burden becomes too much, they leave, and rely on cobbled together care that doesn't meet their children's developmental needs.

In a very quick check in with providers via a Facebook poll I posted yesterday, 24 union represented providers said they take families receiving DHS child care subsidies, of those providers 15 said their families can't afford paying more than the DHS rate and charge that rate to private pay families. Four other providers, who are currently not taking DHS, said they charge private pay families the DHS rate because going higher drives them away. Nine providers responded that their private pay rates are higher than DHS rates with 6 of those taking DHS families and one provider offering a sliding scale so

¹ Based on Tri-Wou's Spark Rating numbers of 721 Registered and Certified Providers either working on a rating or already rated caring for 18% of the 46,632 kids in rated programs and taking the program enrolment average of just over 11 kids per program, multiplying that by the number of total Registered and Certified providers in the December 2018 fact sheet. http://5c2cabd466efc6790a0a-6728e7c952118b70f16620a9fc754159.r37.cf1.rackcdn.com/cms/2018_12_CountyData_Report_V2_5464.pdf

² Dresser, Laura, Associate Director, COWS, University of Wisconsin; King Mary C, Professor of Economics Emerita, Portland State University; Reddy, Raahi, LERC, University of Oregon (2017) Oregon's Care Economy: The Case for Care Investment, page 2.

³ Dresser, Laura, Associate Director, COWS, University of Wisconsin; King Mary C, Professor of Economics Emerita, Portland State University; Reddy, Raahi, LERC, University of Oregon (2017) Oregon's Care Economy: The Case for Care Investment, page 11.



some families are at the DHS rate and others are above it. Obviously, this is not scientific, and not everyone “checked all that applied”, but I thought it was worth sharing for perspective. In the comments, many providers mentioned that they’ve had families leave to go to unregulated care where they charge as little as \$400/month.

To stay viable, many providers have changed their business models, focusing on pre-school and wrap around care for school-age kids. Caring for infants and toddlers is too costly. However, even making this switch, or participating in programs to leverage other funds to provide better care, support children and families, and try to cover costs, many providers question why we continue at all.

Our child care crisis is only going to become worse if we don’t make these investments to support providers in giving quality care and early learning experiences to our children. Please pass HB 2346 – to give us a proper look at our child care system and the true cost of care, HB 2348 to reduce families’ copays to no more than 7% of their income, HB 2024 - to help address our statewide need in building the supply of child care providers who take infants and toddlers and HB 2608 to help us get providers in the state’s rate areas B & C closer to parity with rate area A.

Thank you, for the time. I welcome any questions.