



Smart policies for today's families.

To: Ways & Means Subcommittee on Human Services  
From: Courtney Helstein for Family Forward Oregon  
Date: February 26, 2019  
Re: Employment Related Day Care

Co-Chairs Nosse & Beyer and Members of the Committee,

My name is Courtney Helstein, representing Family Forward Oregon. We are an organization focused on strengthening the economic security of mothers and caregivers. In our work with mothers, families and caregivers over the years, reliable access to high-quality, affordable child care has emerged over and over as one of the most pressing issues facing families all over our state. Employment Related Day Care (ERDC) helps working families afford child care. Without this assistance, child care costs easily exceed 50% of these families' income.

A minimum-wage worker in Oregon would need to work full time for 31 weeks, or from January to August, just to pay for child care for one infant. And child care for two children (an infant and a 4-year-old) costs twice the average rent in Oregon.<sup>1</sup> Without ERDC, many parents with incomes under 185% FPL cannot afford to work and turn to TANF for assistance.

Despite the clear need for more child care assistance, ERDC only serves 16% of the eligible population. Nearly a decade ago, the legislature capped this program and has continued to decrease the number of families served. ERDC currently serves only 8,000 families. The Legislature needs to increase state funding to ERDC by \$20 million to serve 1,000 addition families.

**Public funding plays an important role in creating Oregon's child care supply.** The state's minimal investment in child care contributes to the lack of availability for all families, especially families with infants and toddlers. Three quarters of Oregon counties have *fewer than 25%* publicly funded infant/toddler slots; Every Oregon family with an infant or toddler-- regardless of income-- lives in a child care desert with only one slot for every eight infants/toddlers. [Child care desert is defined as 3 children per slot].<sup>2</sup>

The child care affordability problem deserves a much larger conversation and ultimately a systems overhaul. However, until that happens, the state should at least adequately fund the ERDC to help low-income parents afford the child care they need to be able to get and keep a job. Plus, investing in child care through the ERDC program also helps us to add jobs in this primarily women-dominated sector.

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<sup>1</sup> <https://www.epi.org/child-care-costs-in-the-united-states/#/OR>

<sup>2</sup> <https://health.oregonstate.edu/sites/health.oregonstate.edu/files/early-learners/pdf/oregon-child-care-deserts-01-29-2019.pdf>

**Oregon ties with Hawaii for the highest ERDC copays in the nation.**<sup>3</sup> We would like to see this committee cap the ERDC parent copays to 7% of a family's income as recommended in the federal Child Care Development Fund (CCDF) which primarily funds this program. Currently, low-income working families receiving ERDC can be required to contribute 20-30% of their family's income as a copay to receive the state subsidy, which is far too much for families to afford. Capping ERDC copay to 7% would allow families to stay in the program while the need for affordable child care is still high and would improve families economic security, allowing working parents and children to thrive.

Oregon's underinvestment in our child care system represents a missed opportunity to strengthen the educational and economic prospects of our children, to promote parental work and boost household earnings, and to reverse compensation patterns that undervalue the child care workforce, which is disproportionately mothers and women of color. Investing in ERDC not only serves families who cannot afford child care. It helps to encourage providers to use the ERDC program, thus building up the supply for all families needing to access child care and reducing child care deserts across the state. **Please increase ERDC slots by 1000 families and reduce parent copays to 7%.**

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<sup>3</sup> <https://nwlc.org/resources/overdue-for-investment-state-child-care-assistance-policies-2018/>