

February 15, 2031

House Committee on Early Childhood 900 Court Street NE Salem, OR 97301

RE: Support for HB 2503

Chair Power, Vice-Chair Reynolds, Vice-Chair Zika, and Members of the Committee,

Our Children Oregon's (OCO) mission is to be a voice and force for the common good for all Oregon children, ensuring all children have the resources and opportunities they need to reach their full potential. OCO is the result of the merger between two historic Oregon non-profits: The Children's Trust Fund of Oregon and Children First For Oregon. We elevate data and lived experience to prioritize children and center communities. We continue to connect a community of 115 advocates, coalitions, and organizations through The Children's Agenda, a legislative agenda championing equitable state legislative policies and shared investments to improve the lives of Oregon's children and their families.

HB 2503 is part of the 2021 Children's Agenda and actively supported by many of our partners.

We knew that the child care system didn't work for most families before the pandemic, but the pandemic has revealed that the current system does not meet the needs of children, parents, and providers, and will not support Oregon's economic recovery.

Child care is primarily funded by families that cannot afford the true costs associated with care for children. While parents are unable to afford care, child care providers are not charging enough to cover the costs to provide care, often subsidizing the costs through their own low wages. The current funding structure is unsustainable and as a result, every county in Oregon was a child care desert for infants and toddlers before the pandemic.

Despite how expensive child care is for parents, child care providers (who are disproportionately Black, Indigenous, and women of color) are among the lowest-paid workers in Oregon. In 2018, the median wage of preschool teachers, many of whom are college-educated, was \$13.95 an hour, and was \$11.86 for child care workers in Oregon. Average annual

The Children's Agenda

is a broad slate of equitable investments and policy solutions to meet the holistic needs of Oregon children, youth, and their families.







P.O. Box 14694 Portland, OR 97293 503.236.9754 ourchildrenoregon.org wages in child care are about half the all-industry Oregon average. This year has made even clearer how essential child care is—it is essential work that makes all other work possible—and yet, we don't compensate providers accordingly.

COVID-19 has laid bare the insufficiencies of our current child care system. It will take a long-term, sustained effort to rebuild a child care system that truly works for all our families. In the meantime, we can start with House Bills 2503, which will:

- Protect our current investments in the ERDC program.
- Ensure affordability for parents by capping copays to no more than 7% of a family's income.
- Increase the flexibility of the program for parents to utilize their child care assistance outside of just working hours.
- Expand access to all children, regardless of documentation status.
- Protect eligibility for children for at least one year, increasing financial stability for providers and continuity of care for children.
- Provide financial stability to providers by paying based on enrollment—not attendance, protecting eligibility for children for at least one year, setting rates for providers based on the true cost of care.

Now is the time to reform ERDC into a child care assistance program that better serves low-income and BIPOC families, as well as providing fair compensation for the child care business owners and educators—predominantly women and BIPOC women—who perform this critical work. As we consider shifts in governance, it will remain important for there to be coordination with Self-Sufficiency programs such as TANF.

Every Oregon family deserves and needs access to high quality, affordable, and culturally relevant child care, and every child care provider should be paid a wage that reflects the essential work they do. We can take the first steps to get there with House Bills 2503. Our Children Oregon urges your support for this important bill.

From the Our Children Oregon Team,

Chis Coughlin, Policy, Advocacy, and Engagement Director

Jenifer Wagley, Executive Director

View the 2021 Children's Agenda at <u>www.ourchildrenoregon.org/2021-childrens-agenda</u>