

To: Joint Committee on Semiconductors

From: Dana Hepper, Director of Policy & Advocacy, Children's Institute

Date: Monday, March 6, 2023

Re: Connections between child care and semiconductor industry, [Senate Bill 4](#)

Co-Chairs Sollman & Bynum, Vice-Chairs Knopp & Wallan, Members of the Committee,

Thank you for the opportunity to testify. My name is Dana Hepper and I am the Director of Policy & Advocacy at the Children's Institute. Our vision is an Oregon where all children have the love, care, and education they need.

As you have heard, Oregon is facing a child care crisis that existed before the pandemic and has gotten worse in recent years. And you have heard that this child care shortage, just like the housing shortage, is inhibiting the ability of employers to hire. In other words, the child care crisis has a negative impact on our economy, and an outsized effect on women.

Housing and child care are typically the largest costs in a family's budget. Yet only 1 in 6 families who are eligible for child care assistance actually receive it. Housing isn't much better, where only 1 in 5 families who are eligible for assistance receive support ([Center on Budget and Policy Priorities](#)).

Even when families actually receive a child care subsidy, many families are then unable to find a provider - because providers are full, don't offer the hours families need, aren't in the right location, or don't accept a voucher ([Oregon State University](#)).

So, what can Oregon do to expand child care as essential infrastructure for the semiconductor industry and our economy more broadly? Child care providers across Oregon name three core elements needed to serve more

children and families. They need subsidies for families to afford the true cost of care, facilities that support the well-being of children and staff, and a qualified workforce. Each of these pieces needs attention simultaneously - they work together like a recipe for child care. We appreciate the Semiconductor Committee taking the time to consider your role, as a committee and as individual legislators, in expanding access to quality, affordable child care. This will be a key ingredient to the success of the Semiconductor industry, and it will help make Oregon competitive for CHIPS for America resources federally.

In terms of ensuring child care is affordable for families, the Oregon Department of Transportation provides child care assistance to eligible participants in their [heavy highway apprenticeship](#) program. This approach could be a model for other sectors. Ultimately, we need more funding for child care, as parents cannot cover these costs alone.

In terms of child care facilities, we estimate the facilities shortage for child care is a \$7 billion problem to solve. Solving a challenge of this magnitude will require innovation and collaboration across local, state, and federal governments, industry, banking, and child care. We have heard from housing providers, governments, and business leaders about an interest in supporting co-locating child care in proximity to where people live and work. This legislative session, we have proposals for financing child care facilities (HB 3005) and addressing challenges related to zoning, building codes and permitting (HB 2727). These are only the first steps toward addressing the issue. The semiconductor industry, and honestly every industry, needs to be planning for child care as essential infrastructure to support their success. This will also support the success of Oregon's children, families, businesses, and our economy. Thank you.