

To: Senate Housing & Development Committee  
From: Dana Hepper, Director of Policy & Advocacy, Children's Institute  
Date: March 22, 2023  
Re: Support for SB 979-1

Good morning, Chair Jama, members of the committee. My name is Dana Hepper, and I am the Director of Policy & Advocacy at the Children's Institute.

As you have heard many times in front of this committee, **Oregon is in a child care crisis**. Every county is a child care desert for infants and toddlers, and most are also deserts for preschool age children. ([Oregon State University](#)) Yet most young children have all available parents working. ([Annie E. Casey](#))

**For families with young children, housing and child care are typically the largest expenses in a family budget, and unaffordable for most families.** ([Oregon Center for Public Policy](#)) Addressing this crisis is going to take multi-sector solutions to secure adequate funding to support access to quality care; build a skilled and fairly compensated workforce that reflects the racial, ethnic, linguistic, and geographic diversity of families being served; and create quality facilities, ideally facilities that are near or even co-located with where families live and work.

**Oregon has done something really innovative to address these twin challenges of affordable housing and child care for families.** You dedicated funding to co-location of affordable housing and child care. ([CARE Fund](#)) Oregon Housing & Community Services commissioned a [report](#) to inform the implementation of that funding. That report uncovered a challenge that some small, non-profit housing developers may not be able to access this new tool because including any commercial space, including child care, would trigger a prevailing wage requirement to which they were otherwise subject. The report recommends that, **for co-location to work well, the state must find a solution to the prevailing wage trigger for small, non-profit housing providers.** ([Co-Locating Early Care and Education Facilities with Affordable Housing in Oregon](#), p. 71-72)

I want to thank Sen. Steiner for her leadership to seek a solution and action on this identified challenge. This issue does create tension, as Sen. Steiner points

out. Child care providers are certainly sensitive to discussions about wages, as child care providers are among the lowest paid workers in the state. ([Center for the Study of Child Care Employment](#))

**We support SB 979-1 as a very narrow, focused effort to address this barrier to moving forward with co-location.** We are eager to be a part of the discussion to address this challenge to Oregon's co-location commitment as a piece of our bigger effort to address Oregon's child care crisis. Action on this crisis is critical for Oregon's children, families, communities, and our economy.