



March 22, 2023

**TO:** Members of the Senate Committee on Labor and Business

**FR:** Katie Koenig, Oregon Business & Industry

**RE:** Oregon Business and Industry's Support of SB 1040

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Chair Taylor, Vice-Chair Bonham and Members of the Committee,

Oregon Business & Industry (OBI) is a statewide association representing businesses from a wide variety of industries and from each of Oregon's 36 counties. Our 1,600 member companies, more than 80% of which are small businesses, employ more than 250,000 Oregonians. Oregon's private sector businesses help drive a healthy, prosperous economy for the benefit of everyone.

Thank you for the opportunity to offer comments in support of SB 1040 and the -1 amendment. Earlier this month, OBI told this committee about some of the workforce challenges Oregon employers face. We cited the lack of affordable child care as one of the biggest challenges. As you know, there is a shortage of available child care, and this problem is particularly acute in rural areas. Child care professionals have expressed concerns over regulatory barriers and other issues that are prohibitive in attracting child care workers and operating child care facilities.

Many businesses have space that could be adapted to provide safe child care. Unfortunately, businesses that consider creating on-site child care, for employees or the public, quickly encounter legal and regulatory obstacles to renovating, licensing and operating small facilities. Piloting the use of micro centers is a small but important step forward.

Oregon needs creative, safe and affordable child care options, and this legislation is good step in that direction. While we applaud the efforts in -1 amendment to SB 1040, we hope that this is just the beginning of a holistic review of child care delivery, including workforce development, facility capacity, incentives, and the overarching regulatory environment. That is what Oregon's employees and employers need.

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