Dear Chair Reynolds, Vice-Chairs Nguyen and Scharf, members of the Committee,

My name is Tiffany Darwich, I am the Owner/Managing Director of The Good Life Preschool. We have a Certified Family Childcare that is on our property in Dundee, OR since 2015 and operate a morning Preschool/Pre-K Program out of the Chehalem Cultural Center in Newberg for the past five years. Between our two locations, we serve the age group of 3-5 years old with close to 60 families per year, offering bi-lingual Spanish, quality research-based curriculum and social, emotional learning & support to all children in our program.

Quality Childcare in Oregon, for children under five years of age, was already challenging to secure for many families, pre-pandemic. Many providers and centers were and continue to be full, with long waitlists. Fast forward to post pandemic and due to the ever-increasing financial constraints of operating a child-care business, the low profit margin, the challenges of the changes that occurred while operating during the pandemic, along with finding and retaining quality staff, has created even more challenges for childcare providers. Many decided to retire or close entirely, many of which did so during the pandemic as they decided it wasn't worth the challenges that they faced daily. This created even more challenges for working families, which in turns affects local employers that lose their quality, skilled workforce. The childcare shortage in Oregon has created an imbalance to our local economy. Forcing families to move out of rural areas due to not finding quality care for their young children. If providers increase their tuition costs, then it also creates an imbalance to working families who may barely make too much to quality for ERDC funding through the state and therefore are left with trying to make ends meet.

The Good Life Preschool consistently has a waitlist and we have been asked by families throughout the years to expand our offerings for children younger than 3 years of age. Due to our waitlist of the current age group that we do serve and our current maximum licensing capacity through the Childcare Division, we are not able to increase capacity to serve more children. In 2022 we partnered with A-dec, the largest privately owned company in Yamhill County to attempt to expand our offerings and open a childcare center in downtown Newberg, that would have provided an additional 29 full time spots or 40 part time, full day spots, for working families in our community. We applied for ARPA funding and were approved for \$220,000 for our expansion project, with \$100,000 of that going back to the City of Newberg for SDC's. Due to unforeseeable constraints of the location in downtown Newberg and the high overhead monthly costs, we had to pivot the project and had proposed expanding the current location in the outskirts of Newberg. This revised project was not approved by the City Council, due to being less than two miles outside of Newberg City limits. These funds went back into the City of Newberg's General funds.

The reality is, if we didn't own our current building that sits on our property and had to rent the space, the monthly financials would not make sense and we would not have a childcare business. We operate as a family childcare which means we have a max of 16 students at a time. If The Good Life Preschool wanted to offer more childcare spots, we would have to go through the county to gain an exception for our property to then operate as a Childcare Center,

along with adding a costly sprinkler system, new septic system and other cost prohibitive expansions on the current building. Many cities have made it financially challenging for childcare businesses to open and operate, since most of the commercial spaces are not zoned for childcare and the providers then have to come up with the money for high SDC's. This poses a huge challenge for our economy when it is easier to open a coffee shop than it is to provide for childcare that is a necessity for working families.

Every business is feeling the pinch with finding quality staff. We now pay staff more than we ever have and while they deserve even more for what they do, we are unable to raise the tuition costs to match the inflation, including increased staffing costs, insurance, and food, or it will price working families out of accessing childcare spots. Retaining staff is a challenge for many providers who are competing with school districts, big companies like Amazon, retail and private nannying. These types of positions are more attractive to the workforce because they pay more, many offer benefits and they are emotionally less draining.

HB4158 will help support small centers and home-based childcare providers with a similar structure to The Good Life Preschool, as well as many other quality providers. This bill will help ensure access to funding, so that rural areas don't continue to see an even larger deficit in quality providers. Thank you for your consideration and support in investing in small childcare businesses, helping to support local businesses to attract & retain their workforce talent and helping working families find the care they need for their young children.

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