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Cost of Living Relief Package Will Target Childcare Affordability and Support Working Families

SALEM – As the cost of living spikes across the country, the Oregon Legislature is working on a relief package to put money back in Oregonians’ pockets and drive down the cost of everyday necessities like childcare.

“We know times are tough and we are doing everything we can to strengthen the economy and bring down the cost of living,” Senator Deb Patterson (D-Salem) said. “We need to make targeted investments to drive down the costs that are burdening hardworking folks in my district and around the state. That means building up programs that can help Oregon families protect their pocketbook – investments in childcare and early learning are central to this effort.”

“For too many families, covering monthly and even daily expenses has become a challenge,” Rep. Andrea Valderrama (D-Portland) said. “This funding package will help us build an economy that works for working families and small businesses, not just the large corporations who have seen record profits over the last two years.”

Affordable Childcare: The budget will build on the bipartisan early learning and childcare reforms made during the 2021 session, helping to modernize our childcare system and create equitable and affordable access.

To address the shortage of affordable childcare across the state, the funding package will support providers who accept Employment Related Day Care (ERDC) subsidies, leading to more equitable rates and giving more options to parents who utilize ERDC. This support includes recruitment and retention payments to childcare workers; recruiting and training of new childcare

providers; direct grants to expand existing childcare facilities; and other investments to make our public childcare system more equitable for parents.

“As we begin to emerge from the pandemic, we must continue to build a system where every family can find care so our children have joyous, reliable, and meaningful early childhood experiences,” said Rep. Karin Power (D-Milwaukie), chair of the House Committee on Early Childhood. “We can only reach this goal if childcare providers and workers are paid well for their essential and difficult work.”

“The way to avoid problems for adults is to make sure that young children have the support they need as early as possible,” Senator Lew Frederick (D-Portland) said. “Investing in early learning and childcare will lead to better outcomes for every community in Oregon, creating environments where kids and families thrive today and tomorrow.”

Low-Income Worker Payments: With federal pandemic relief funding expiring, this investment package will also provide one-time \$600 payments to support the more than 240,000 Oregonians who claimed the earned income tax credit (EITC) on their 2020 tax returns. Eligible Oregonians will automatically receive payments by direct deposit or check, efficiently delivering stimulus payments to help Oregonians pay for essential needs, like rent and groceries.

“While Oregon’s economy has recovered quickly from the pandemic, we know this recovery was not felt the same across all of Oregon’s workers,” said Kathleen Taylor (D-Portland), chair of the Senate Committee on Labor and Business. “It has become more difficult for low-wage workers to afford basic necessities, like rent, food, and childcare, as the cost of living continues to rise. We have an urgent opportunity to support the equitable recovery of our workforce by sending relief to low-wage individuals and working families with the greatest need.”

Data from the Department of Revenue [shows](#) counties with the highest percentage of residents claiming the EITC include Malheur (22.7%), Klamath (19%) and Jefferson (18.9%), followed by other counties in Eastern and Southern Oregon.

An additional budget appropriation will be made to the Oregon Worker Relief Fund for \$600 payments to ITIN filers who would otherwise qualify for the EITC if not for their tax ID number.

Earned-Income Tax Credit Outreach: The EITC helps low-income workers and families receive a tax break to reduce their overall tax burden. The budget will strengthen the resources available to help low-income families navigate the tax system and access this credit, with a focus on outreach by culturally responsive organizations, tribal governments, and under-resourced rural community service organizations.

“Low-wage workers and communities play an essential role in ensuring Oregon’s success,” Rep. Ricki Ruiz (D-Gresham) said. “This will support Oregon’s economic recovery and lift up communities across the state by providing individuals and working families with support to receive the benefits of the earned-income tax credit.”

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