

## PRESS RELEASE

## OREGON HOUSE DEMOCRATS

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## House Votes to Make Child Care More Affordable and Accessible for Children, Parents, and Providers

House Bill 3073 will reform Oregon's child care system and establish the Department of Early Learning and Care (DELC) to ensure more affordable, accessible and equitable access for children and parents, as well as increased financial stability for providers

SALEM, OR--Today the House passed House Bill 3073, which will respond to the state's child care crisis and provide immediate and long-term relief to the state's most vulnerable families in need of child care by establishing the Department of Early Learning and Care (DELC) as an independent agency, incorporating and making reforms to the state's child care subsidy program, the Employment Related Day Care (ERDC), to create more financial stability for providers and parents, including low-income and single parent families, BIPOC mothers and caregivers.

The bill, passed with large bipartisan support, was led by co-chief sponsors, <u>Rep. Karin Power</u> (D-Portland) and <u>Rep. Jack Zika</u> (R-Redmond), who negotiated the proposal.

By incorporating ERDC into the newly formed Department of Early Learning and Care, the state will be in a better position to leverage the influx of federal funds and rebuild the child care sector to support those most impacted. As it currently stands, ERDC serves less than 25% of the families who use child care in the state, while only funding less than 20% of qualifying families.

"As a parent, I see firsthand how expensive it is to afford child care. Some families are giving up nearly half a paycheck. This is why we see women dropping out of the workforce at record rates to stay home," said Rep. Power. "HB 3073 creates the child care infrastructure needed so families can get back to work, children can be taken care of, and providers are paid adequately."

At the beginning of the pandemic, Oregon saw close to 50% of the state's child care capacity evaporate. While most providers have reopened, every county in the state is still considered a child care desert. A recent report by the U.S. Chamber of Commerce Foundation found that 40%

of employers are not confident that everyone in their workforce will return to work, and of these, 79% cited the availability of child care as a central factor.

"The pandemic's toll this past year on families with children has been monumental, especially for working moms who have had to leave the workforce," said Rep. Zika. "This bill will help bridge the childcare desert in Oregon to give more families more access, alleviating the burden that too many are still facing."

The most recent\_revenue forecast made clear the gap between parents, BIPOC women, and others in the workforce. Childcare is an essential investment and necessary infrastructure for a more equitable recovery.

"Child care is the backbone of our economy. It's also a sector where Black, Indigenous and women of color are overrepresented in the workforce. And we see how BIPOC women continue to be the most impacted by unemployment rates, job and wage losses this past year," said Rep. Teresa Alonso Leon (D-Woodburn), a co-chief sponsor. "This bill is as much about providing adequate pay for our workers and quality care for our children and parents as it is about racial justice and equity and our ability to provide culturally appropriate and specific care for our communities."

Reforms to how the current program works include capping copays to no more than seven percent of a family's income to drive down costs; increasing the program's flexibility for parents to utilize their child care assistance outside of working hours; expanding access to all income-eligible children and families, regardless of documentation status; and providing additional financial stability for providers by paying based on enrollment, not attendance, to protect eligibility for children for at least one year, and setting rates for providers based on the true cost of care.

"In Oregon, we see an annual turnover in the child care workforce of between 25-30%, and this has been exacerbated by the pandemic and disproportionately impacted communities of color. We know this instability is primarily driven by low wages and the inability of providers to make ends meet," said Rep. Courtney Neron (D-District 26), co-chief sponsor. "With this legislation we're committing to economic resiliency and financial stability for our child care providers and the families they serve. Oregon children, families and communities thrive with access to stable child care services."

"Following our most recent revenue forecast, it is clear much more must be done to ensure a more equitable recovery by investing in our BIPOC and low-income communities. We know child care as a whole is a sector rooted in racism, sexism, and exploitation of BIPOC and low-income labor," said Rep. Andrea Valderrama (D-Portland), a sponsor. "This is a real opportunity for us to invest in child care infrastructure and support the communities who need it most: our child care workforce, BIPOC mothers and low-income families across the state."

The bill is supported by a wide coalition of community partners and organizations, including Oregon's <u>Early Learning Division</u>, the <u>Child Care for Oregon</u> coalition, and <u>Fair Shot for All</u>.

"The passage of HB 3073 and the creation of the Department of Early Learning and Care represents the next evolution of early care and education in Oregon," said **Alyssa Chatterjee**, Acting Early Learning System Director for the Division. "Oregon has continued to prioritize investments in high-quality early learning for our youngest and most vulnerable children and families, and these reforms to ERDC will continue to make child care services more accessible for families."

"We need to redefine child care as necessary for joyful children, thriving families, and a strong economy," says **Courtney Helstein**, Political Director at Family Forward, an advocacy organization that is part of the Child Care for Oregon coalition. "Child care is absolutely essential infrastructure that makes all other work possible. We're so glad to see our elected leaders see this and have come together to pass HB 3073."

"HB 3073 puts us on the path to building the targeted universal program we need that is designed with a focus on BIPOC mothers, children, and providers," says **Marchel Hirschfield**, Political Director at APANO and member of the Child Care for Oregon coalition. "It will take a long-term, sustained effort to build a new statewide system that is equitable and truly works for all. Seeing HB 3073 pass with broad, bipartisan support gives us hope that we're headed in that direction."

The bill passed 49-9 and now heads to the Senate for consideration,

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