## Child care subsidies would be available to more parents under House Bill 2015

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## **EXCERPTS**

More working parents in Oregon would have access to child care assistance for a longer period under a bill scheduled for a work session Wednesday in the House Committee on Human Services and Housing.

House Bill 2015 would expand the state's Employment Related Day Care program (ERDC) for low-income working families, a Department of Human Services program that was scaled back in 2009 during the recession.

Specifically, the bill would deepen the pool of families who are eligible for child care subsidies from the program, extend eligibility to a year, and link the program with another state program that offers incentives to licensed child care providers who work to improve their quality.

The work session is scheduled for 3 p.m. Wednesday.

The bill is sponsored by House Speaker Tina Kotek, D-Portland, and Sen. Elizabeth Steiner Hayward, D-Beaverton.

"Strengthening the ERDC program is one of the Speaker's top priorities because it will not only expand opportunity for low-income working parents, but will also pay long-term dividends for their children," Kotek's communications director, Lindsey O'Brien, said by email Tuesday.

In a public hearing in February, Kotek estimated that expanding the program would cost about \$60 million. According to a 2013 DHS presentation, ERDC's budget is roughly \$118 million.

Steiner Hayward said she supports the bill because it "allows people who are working to get back to self-sufficiency to get good child care while they're doing that."

"We're helping people move up the economic ladder, move up the success ladder and become self-supporting," she said.

The legislation also has the support of Gov. Kate Brown, who as secretary of state oversaw an audit on child care last year that noted Oregon is the third least affordable state for center-based child care. A single parent in Oregon can expect to pay an average of about \$11,000 for infant care, more than a year's worth of tuition and fees for a resident undergraduate at the University of Oregon or Oregon State University.

Currently, working families whose incomes are below 185 percent of the federal poverty level and who have a child under 12 or a child with a disability that requires extra care are eligible for ERDC. Families who receive subsidies must come up with co-payments that are based on family size and income. For example, a family of four with a monthly income of \$1,500 - assuming one person is working 40 hours a week at Oregon's minimum wage of \$9.25 an hour - would have a monthly child care co-pay of about \$97, according to a DHS calculator.

The bill could lower co-pays for families choosing child care providers who meet minimum standards set by Oregon's Quality Rating and Improvement System.

In January, the latest month for which figures were available, ERDC served 7,588 Oregon families with 14,349 children, Christy Sinatra, a DHS spokeswoman, said by email. As of Monday, there were 2,396 families, with 4,133 children, on the waiting list, she said.

The bill would expand the pool of ERDC families by increasing the income eligibility level to 250 percent of the federal poverty level. Currently, families who hit the 185 percent level automatically lose their child care subsidies in what is known as "the cliff effect."

Self-employed parents would regain their ERDC eligibility under the bill. According to testimony from Rhonda Prodzinski, program manager for DHS' Office of Self-Sufficiency Programs, about 200 families with self-employed parents lost their child care subsidies during the 2009 cuts.

The bill would extend ERDC eligibility to parents who are attending college, a proposal that Roberta "Bobbie" Weber, an Oregon State family policy researcher and a member of the state's Early Learning Council, testified is crucial to breaking the cycle of low-wage

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employment and poverty.

Currently, a family's eligibility for ERDC is re-evaluated each quarter. The bill would guarantee eligibility for one year so that "fluctuations in employment status would no longer force a family to disrupt an existing child care arrangement," O'Brien said.

Weber said the one-year guarantee would provide crucial stability for children. "Children's development is highly dependent on stable, attached relationships and studies have found unstable child care negatively associated with cognitive development," she testified.

Sarah Crozier, a certified family child care provider who owns and operates Mi Escuelita Bilingual Child Care and Preschool in Newberg, also testified in support of the bill, saying that she hasn't raised her rates in four years because she knows her clients wouldn't be able to afford the increase. "Quality child care should be accessible to all families regardless of language, ability or socioeconomic status," she testified.

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