

**Opening Statement of Ranking Member Suzanne Bonamici (OR-01)**

*Subcommittee on Early Childhood, Elementary, and Secondary Education Hearing*

“Who’s Watching the Kids? How Employers, Innovators, and Parents Are Solving America’s Child Care Crunch”

Tuesday, January 13, 2025 | 10:15 a.m.

---

Thank you, Mr. Chairman, and thank you to the witnesses for being here today.

This hearing is about an issue that is critical for children, families, for employers, and for the economy. Too many families are struggling with high costs for groceries, utilities, and health care. Child care is a necessity for millions of American families. And in many places, including my home state of Oregon, the cost for child care – when families can find it – can be as much as rent or mortgage payments.

Although I welcome the focus on innovative approaches by private-sector employers, I also want to be clear from the outset that employers alone can’t solve America’s child care crisis, as the title of this hearing suggests. Playing a part but not solving. Most employer-led solutions for child care come in the form of tax credits for families to offset the cost of care. In Oregon, for example, businesses can receive a state tax credit for dependent care assistance to employees. Employer engagement plays an important role, but as Ms. Glover says in her testimony, “child care is not a perk. It is workforce investment.” I agree and submit that we need a comprehensive solution to build and strengthen that infrastructure.

Access to affordable, high-quality child care is an essential part of a functioning economy. Yet in many communities, child care simply does not exist in sufficient supply. As a direct result of the scarcity and unaffordability, our economy loses an estimated \$122 billion in earnings, productivity, and revenue every year. That is not a personal failure on the part of parents or providers—it is a policy failure.

When parents cannot find care, they reduce their hours, turn down promotions, or they leave the workforce entirely. Women, and particularly women of color, are disproportionately pushed out of the workforce because of challenges finding and paying for child care. Employers lose experienced workers. Small businesses lose customers. Families have less income. And children miss out on the benefits of a stable, high-quality early learning environment that we know sets them up for lifelong success.

At the same time, child care workers – who do some of the most important work in our society – are often paid poverty wages. Many need to rely on public assistance to survive and many do not have health care benefits. Without meaningful federal investments, child care costs will continue to rise for families, and wages will remain unsustainably low for child care workers. This continues to be an untenable system that, as Ms. Matsui points out in her testimony, former Treasury Secretary Janet Yellen correctly identified as a “textbook example of a broken market.” And it’s a system that cannot be remedied with solely a market solution.

This issue is especially acute in Oregon, where the hurdles are both supply and affordability. I speak with many Oregonians – often women – who are limited by the lack of access to child care. I held a town hall in Clatskanie, which is a very small rural town in Oregon. Head Start is the only child care available to the entire city.

And in rural areas, like on Oregon's coast, the lack of options for child care limits economic growth because families often have to turn down jobs when they can't find or afford child care. And I know that the case is in many places across the country.

Some suggest that employers can step in and fill this gap. I always look for creative ways to solve problems, but we must be honest about the limits of this approach. Most business owners are focused on keeping their doors open and their workers employed in an increasingly unaffordable economy. I look forward to the testimony from the business owners today. But oftentimes, business owners are focused on navigating higher costs, supply chain disruptions, and economic uncertainty. And again, though I appreciate the witnesses here today for their efforts, asking or expecting employers—especially small and mid-sized businesses—to also take on child care is not always realistic.

Many business owners do not have the bandwidth, and Congress should not expect them to solve a nationwide child care crisis. It is a public good; again, infrastructure. Shifting responsibility away from policymakers and onto families and businesses does not remove the problem—it often pushes it onto people less able to bear the cost.

Meanwhile, policies proposed by Congressional Republicans and the actions of the Trump administration have collectively contributed to making the cost of raising a child even further out of reach. Last week, the Trump administration released a proposed rule that rescinds a 2024 Child Care and Development Fund policy that both capped the cost of child care and increased child care options for families. Families are continuously squeezed from all sides, and now some of the already limited federal support is threatened.

I also expect that today's discussion may touch on alleged fraud within the child care system. Let me say this: any instance of fraud is unacceptable and should be addressed; however, this administration is using *alleged* fraud as an excuse to abruptly yank funds from states, which affects all of the students and children involved, without thoroughly investigating situations. The solution is not to take child care resources away from working families. The solution is to get it right.

What we could and should do is pass the *Child Care for Working Families Act*, which would cap costs for families, expand access to high-quality care, and invest in the child care workforce.

If we are serious about supporting families, strengthening the workforce, and growing the economy, we must treat child care as the essential infrastructure it is. I look forward to today's discussion and to working toward solutions that meet the scale of this challenge.

Thank you, Mr. Chairman, and I yield back.