

D R A F T

SUMMARY

Establishes Early Learning Division in Department of Education. Clarifies responsibilities of Early Learning Division and Early Learning Council.

Requires State Interagency Coordinating Council to submit report that provides recommendation about appropriate entity to adopt rules and develop policy related to early childhood special education and early intervention services.

Changes name of Child Care Division to Child Care Office. Establishes office in Early Learning Division.

A BILL FOR AN ACT

1
2 Relating to children; creating new provisions; and amending ORS 131A.360,
3 131A.365, 307.145, 307.490, 307.500, 315.204, 315.208, 315.213, 326.021,
4 329.075, 329.156, 329.165, 329.170, 329.175, 329.183, 329.185, 329.190, 329.195,
5 329.200, 329.235, 329.255, 329.275, 329.385, 329.395, 329.415, 343.499, 343.507,
6 417.787, 417.788, 417.790, 417.793, 418.975, 419B.005, 419B.020, 419B.035,
7 458.525, 609.652, 646A.504, 657A.010, 657A.020, 657A.030, 657A.180, 657A.190,
8 657A.250, 657A.252, 657A.255, 657A.257, 657A.260, 657A.263, 657A.270,
9 657A.275, 657A.280, 657A.290, 657A.300, 657A.310, 657A.330, 657A.350,
10 657A.360, 657A.370, 657A.390, 657A.400, 657A.410, 657A.420, 657A.450,
11 657A.490, 657A.700, 657A.703, 657A.706, 657A.709, 657A.712, 657A.715,
12 657A.718 and 657A.992 and section 10, chapter 519, Oregon Laws 2011, and
13 sections 10, 68b, 77 and 130, chapter 37, Oregon Laws 2012.

14 **Be It Enacted by the People of the State of Oregon:**

15 16 THE EARLY LEARNING DIVISION 17

1 **SECTION 1.** (1) **The Early Learning Division is established in the**
2 **Department of Education. The purpose of the division is to ensure that**
3 **children enter school ready to learn.**

4 **(2) The division shall function under the direction and control of**
5 **the Early Learning Council with the Early Learning System Director**
6 **serving as the administrative officer.**

7 **SECTION 2.** ORS 329.075 is amended to read:

8 329.075. (1) The State Board of Education shall adopt rules, in accordance
9 with ORS 183.750 and ORS chapter 183, as necessary for the statewide im-
10 plementation of this chapter. The rules shall be prepared in consultation
11 with appropriate representatives from the educational and business and labor
12 communities.

13 (2) The Department of Education shall be responsible for implementing
14 the provisions of this chapter. Actions by the department to fulfill this re-
15 sponsibility and to increase student achievement may include, but are not
16 limited to:

17 (a) Developing academic content standards;

18 (b) Updating Common Curriculum Goals to meet rigorous academic con-
19 tent standards and updating performance indicators and diploma require-
20 ments;

21 (c) Developing criterion-referenced assessments including performance-
22 based, content-based and other assessment mechanisms to test knowledge and
23 skills and whether students meet the performance expectations as determined
24 by the board; and

25 (d) Establishing criteria for early childhood education programs **gov-**
26 **erned by the Individuals with Disabilities Education Act, 20 U.S.C. 1400**
27 **et seq.**

28 (3) The department shall make school districts and the public aware of
29 public school choice options available within our current public education
30 framework.

31 **SECTION 3.** ORS 329.165 is amended to read:

1 329.165. (1) In consultation with the advisory committee for the Oregon
2 prekindergarten program, [*the Department of Education*] **the State Board**
3 **of Education** shall develop a long-range plan for serving eligible children
4 and their families and shall report to each odd-numbered year regular session
5 of the Legislative Assembly on the funds necessary to implement the long-
6 range plan, including but not limited to regular programming costs, salary
7 enhancements and program improvement grants. The [*department*] **board**
8 shall determine the rate of increase in funding for programs necessary each
9 biennium to provide service to all children eligible for the prekindergarten
10 program.

11 (2) Each biennial report shall include but not be limited to estimates of
12 the number of eligible children and families to be served, projected cost of
13 programs and evaluation of the programs.

14 **SECTION 4.** ORS 329.170 is amended to read:

15 329.170. (1) As used in ORS 329.170 to 329.200:

16 (a) “Advisory committee” means the advisory committee established spe-
17 cifically for the Oregon prekindergarten program established by ORS 329.170
18 to 329.200.

19 (b) “Oregon prekindergartens” means programs that are recognized by the
20 [*department*] **Early Learning Division** as meeting the minimum program
21 rules to be adopted by the State Board of Education and that provide com-
22 prehensive health, education and social services in order to maximize the
23 potential of children three and four years of age.

24 (c) “Oregon prekindergarten program” means the statewide administrative
25 activities carried on within the [*Department of Education*] **Early Learning**
26 **Division** to allocate, award and monitor state funds appropriated to create
27 or assist local Oregon prekindergartens.

28 (2) For purposes of ORS 329.175, “eligible child” means an at-risk child
29 who is not a participant in a federal, state or local program providing like
30 comprehensive services and may include children who are eligible under
31 rules adopted by the State Board of Education. As used in this subsection,

1 “at-risk child” means a child at least three years of age and not eligible for
2 kindergarten whose family circumstances would qualify that child for eligi-
3 bility under the federal Head Start program.

4 **SECTION 5.** ORS 329.175 is amended to read:

5 329.175. (1) The [*Department of Education*] **Early Learning Division** shall
6 administer the Oregon prekindergarten program to assist eligible children
7 with comprehensive services including educational, social, health and nutri-
8 tional development to enhance their chances for success in school and life.
9 Eligible children, upon request of parent or guardian, shall be admitted to
10 approved Oregon prekindergartens to the extent that the Legislative Assem-
11 bly provides funds.

12 (2) Nonsectarian organizations including school districts and Head Start
13 grantees are eligible to compete for funds to establish an Oregon
14 prekindergarten. Grant recipients shall serve children eligible according to
15 federal Head Start guidelines and other children who meet criteria of eligi-
16 bility adopted by rule by the State Board of Education. However, not more
17 than 20 percent of the total enrollment shall consist of children who do not
18 meet Head Start guidelines. School districts may contract with other gov-
19 ernmental or nongovernmental nonsectarian organizations to conduct a por-
20 tion of the program. Funds appropriated for the program shall be used to
21 establish and maintain new or expanded Oregon prekindergartens and shall
22 not be used to supplant federally supported Head Start programs. Oregon
23 prekindergartens also may accept gifts, grants and other funds for the pur-
24 poses of this section.

25 (3) Applicants shall identify how they will serve the target population and
26 provide all components as specified in the federal Head Start performance
27 standards and guidelines, including staff qualifications and training, facili-
28 ties and equipment, transportation and fiscal management.

29 (4) Oregon prekindergartens shall coordinate with each other and with
30 federal Head Start programs to ensure efficient delivery of services and pre-
31 vent overlap. Oregon prekindergartens shall also work with local organiza-

1 tions such as local education associations serving young children and make
2 the maximum use of local resources.

3 (5) Oregon prekindergartens shall:

4 (a) Participate in the planning process under ORS 417.777 to develop a
5 voluntary local early childhood system plan; and

6 (b) Coordinate services with other services that are coordinated through
7 the plan. The coordination of services shall be consistent with federal and
8 state law.

9 **SECTION 6.** ORS 329.175, as amended by section 87, chapter 37, Oregon
10 Laws 2012, is amended to read:

11 329.175. (1) The [*Department of Education*] **Early Learning Division** shall
12 administer the Oregon prekindergarten program to assist eligible children
13 with comprehensive services including educational, social, health and nutri-
14 tional development to enhance their chances for success in school and life.
15 Eligible children, upon request of parent or guardian, shall be admitted to
16 approved Oregon prekindergartens to the extent that the Legislative Assem-
17 bly provides funds.

18 (2) Nonsectarian organizations including school districts and Head Start
19 grantees are eligible to compete for funds to establish an Oregon
20 prekindergarten. Grant recipients shall serve children eligible according to
21 federal Head Start guidelines and other children who meet criteria of eligi-
22 bility adopted by rule by the State Board of Education. However, not more
23 than 20 percent of the total enrollment shall consist of children who do not
24 meet Head Start guidelines. School districts may contract with other gov-
25 ernmental or nongovernmental nonsectarian organizations to conduct a por-
26 tion of the program. Funds appropriated for the program shall be used to
27 establish and maintain new or expanded Oregon prekindergartens and shall
28 not be used to supplant federally supported Head Start programs. Oregon
29 prekindergartens also may accept gifts, grants and other funds for the pur-
30 poses of this section.

31 (3) Applicants shall identify how they will serve the target population and

1 provide all components as specified in the federal Head Start performance
2 standards and guidelines, including staff qualifications and training, facili-
3 ties and equipment, transportation and fiscal management.

4 (4) Oregon prekindergartens shall coordinate with each other and with
5 federal Head Start programs to ensure efficient delivery of services and pre-
6 vent overlap. Oregon prekindergartens shall also work with local organiza-
7 tions such as local education associations serving young children and make
8 the maximum use of local resources.

9 (5) Oregon prekindergartens shall coordinate services with other services
10 provided through the Oregon Early Learning System. The coordination of
11 services shall be consistent with federal and state law.

12 **SECTION 7.** ORS 329.183 is amended to read:

13 329.183. (1) The Prekindergarten Program Trust Fund is established as a
14 fund in the State Treasury, separate and distinct from the General Fund.
15 Interest earned by the trust fund shall be credited to the trust fund. The
16 primary purpose of the trust fund is to assist eligible children with compre-
17 hensive services including educational, social, health and nutritional devel-
18 opment to enhance their chances for success in school and life. For this
19 purpose, the trust fund is continuously appropriated to the [*Department of*
20 *Education*] **Early Learning Division** for the Oregon prekindergarten pro-
21 gram described in ORS 329.170 to 329.200.

22 (2) The [*department*] **division** may solicit and accept money in the form
23 of gifts, contributions and grants to be deposited in the trust fund. Except
24 as provided in ORS 329.185, the acceptance of federal grants for purposes of
25 ORS 329.170 to 329.200 does not commit state funds nor place an obligation
26 upon the Legislative Assembly to continue the purposes for which the federal
27 funds are made available.

28 (3) The trust fund may be listed, if otherwise qualified, on the Oregon
29 income tax return for checkoff pursuant to application made to the Oregon
30 Charitable Checkoff Commission under ORS 305.690 to 305.753 by the [*de-*
31 *partment*] **division**.

1 **SECTION 8.** ORS 329.185 is amended to read:

2 329.185. When the federal Head Start program provides funding for pro-
3 grams for eligible children at or greater than the 1990-1991 per child level,
4 eligibility for the state funded Oregon prekindergarten program shall be ex-
5 panded to include programs for children whose family income exceeds the
6 federal Head Start limits or who are in an underserved or unserved age
7 category. After determining the increase in income limits or age level that
8 would make children most in need of state programs eligible for them, the
9 [*State Board of Education*] **Early Learning Division** may direct expenditure
10 of any unexpended or unobligated funds appropriated for the biennium for
11 eligible children to be expended for the additional children considered to be
12 most in need. In the following biennium, the [*State Board of Education*]
13 **Early Learning Division** shall include the cost of any added program for
14 the children most in need in its biennial budget.

15 **SECTION 9.** ORS 329.190, as amended by section 40, chapter 37, Oregon
16 Laws 2012, is amended to read:

17 329.190. The [*Department of*] **State Board of Education** shall establish an
18 advisory committee composed of interested parents and representatives from
19 the health care profession, early childhood education and development staff
20 preparation programs, Oregon Head Start Association, school districts, com-
21 munity colleges, Early Intervention Council, child care and other organiza-
22 tions. The purpose of the advisory committee is to provide advice to [*the*
23 *department*] **board** and the Early Learning Council on matters related to the
24 Oregon prekindergarten program.

25 **SECTION 10.** ORS 329.195, as amended by section 18, chapter 37, Oregon
26 Laws 2012, is amended to read:

27 329.195. (1)(a) The State Board of Education shall adopt rules for the es-
28 tablishment of the Oregon prekindergarten program.

29 (b) Rules adopted under this section specifically shall require:

30 (A) Performance standards and operating standards that are at a level no
31 less than the level required under the federal Head Start program guidelines.

1 (B) Processes and procedures for recompetition that are substantially
2 similar to the processes and procedures required under the rules and guide-
3 lines adopted under the federal Head Start Act.

4 (c) Federal Head Start program guidelines shall be considered as guide-
5 lines for the Oregon prekindergarten program.

6 (2) In developing rules for the Oregon prekindergarten program, the board
7 shall consult with the advisory committee established under ORS 329.190 and
8 shall consider such factors as coordination with existing programs, the
9 preparation necessary for instructors, qualifications of instructors, training
10 of staff, adequate space and equipment and special transportation needs.

11 (3) The [*Department of Education*] **Early Learning Division** shall review
12 applications for the Oregon prekindergarten program received and designate
13 those programs as eligible to commence operation by July 1 of each year.
14 When approving grant applications, to the extent practicable, the board shall
15 distribute funds regionally based on percentages of unmet needs as identified
16 in the voluntary local early childhood system plans that are part of the local
17 coordinated comprehensive plans developed under ORS 417.775 for the county
18 or region.

19 **SECTION 11.** ORS 329.195, as amended by sections 18 and 88, chapter 37,
20 Oregon Laws 2012, is amended to read:

21 329.195. (1)(a) The State Board of Education shall adopt rules for the es-
22 tablishment of the Oregon prekindergarten program.

23 (b) Rules adopted under this section specifically shall require:

24 (A) Performance standards and operating standards that are at a level no
25 less than the level required under the federal Head Start program guidelines.

26 (B) Processes and procedures for recompetition that are substantially
27 similar to the processes and procedures required under the rules and guide-
28 lines adopted under the federal Head Start Act.

29 (c) Federal Head Start program guidelines shall be considered as guide-
30 lines for the Oregon prekindergarten program.

31 (2) In developing rules for the Oregon prekindergarten program, the board

1 shall consult with the advisory committee established under ORS 329.190 and
2 shall consider such factors as coordination with existing programs, the
3 preparation necessary for instructors, qualifications of instructors, training
4 of staff, adequate space and equipment and special transportation needs.

5 (3) The [*Department of Education*] **Early Learning Division** shall review
6 applications for the Oregon prekindergarten program received and designate
7 those programs as eligible to commence operation by July 1 of each year.
8 When approving grant applications, to the extent practicable, the board shall
9 distribute funds regionally based on percentages of unmet needs for the
10 county or region.

11 **SECTION 12.** ORS 329.200 is amended to read:

12 329.200. (1) The Superintendent of Public Instruction shall report to the
13 Legislative Assembly on the merits of continuing and expanding the Oregon
14 prekindergarten program or instituting other means of providing early
15 childhood development assistance.

16 (2) The superintendent's report shall include specific recommendations on
17 at least the following issues:

18 (a) The relationship of the state-funded Oregon prekindergarten program
19 with the common school system;

20 (b) The types of children and their needs that the program should serve;

21 (c) The appropriate level of state support for implementing the program
22 for all eligible children, including related projects to prepare instructors and
23 provide facilities, equipment and transportation;

24 (d) The state administrative structure necessary to implement the pro-
25 gram; and

26 (e) Licensing or endorsement of early childhood teachers.

27 (3) The [*Department of Education*] **Early Learning Division** shall exam-
28 ine, monitor and assess the effectiveness of the Oregon prekindergarten pro-
29 gram. The superintendent shall make biennial reports to the Legislative
30 Assembly on the effectiveness of the program.

31 **SECTION 13.** ORS 329.235 is amended to read:

1 329.235. Subject to the approval of the Superintendent of Public Instruc-
2 tion **and the Early Learning Council:**

3 (1) The district school board of any school district in which there are
4 resident children who are three years of age or older but who have not at-
5 tained compulsory attendance age and who are not enrolled in a
6 kindergarten of the district may:

7 (a) Provide early childhood education for such children as part of the
8 district's educational program; or

9 (b) When the board considers a contract to be economically feasible and
10 in the interests of the learning opportunities of eligible children, contract
11 for instruction of such children in a school district operating an approved
12 early childhood education program, subject to such reimbursement as the
13 districts may agree.

14 (2) An education service district may operate an approved early childhood
15 education program in the same manner as programs are provided under ORS
16 334.175 or 334.185.

17 **SECTION 14.** ORS 329.255 is amended to read:

18 329.255. (1) The district school board of every school district operating
19 any elementary schools may establish a child development specialist pro-
20 gram.

21 (2) If a district school board establishes a child development specialist
22 program, the school district must meet the following requirements:

23 (a) The school district shall submit a written plan describing the program
24 to the [*Department of Education*] **Early Learning Division**, and the program
25 must be approved by the [*department*] **division**.

26 (b) Upon approval of a program, a school district shall submit child de-
27 velopment specialist candidate applications for [*department*] **division** ap-
28 proval.

29 (c) The school district shall conduct an annual review of the program and
30 submit an updated plan to the [*department*] **division** for reauthorization of
31 the program.

1 (d) Each child development specialist employed by a school district shall
2 complete an annual evaluation of the specialist's child development plan to
3 be included with the school district's updated plan.

4 (3) The [*department*] **division** shall review the plans annually.

5 (4) School districts may provide the child development specialist program
6 by contract with qualified state or local programs.

7 **SECTION 15.** ORS 329.275 is amended to read:

8 329.275. (1) The [*State Board of Education*] **Early Learning Council** by
9 rule shall establish guidelines for implementation of ORS 329.255, including
10 but not limited to qualifications for child development specialists and pro-
11 cedures for community coordination of efforts. Such qualifications and pro-
12 cedures shall not be limited to traditional treatment oriented disciplines or
13 the various disciplines requiring certification.

14 (2) Exceptions to the qualifications established by the [*state board*]
15 **council** may be made if the [*state board*] **council** determines after a hearing
16 that an individual is capable of performing the required functions.

17 **SECTION 16.** ORS 329.385 is amended to read:

18 329.385. (1) The [*Department of Education*] **Early Learning Division** shall
19 prepare operating guides for child development programs and for student-
20 parent programs applicable to programs under this section that are consist-
21 ent with requirements imposed by the [*State Board of Education*] **Early**
22 **Learning Council**.

23 (2) The [*Department of Education*] **Early Learning Division** shall review
24 applications for approval of child development programs and student-parent
25 programs and may approve up to 20 child development and up to 20
26 student-parent programs after considering:

27 (a) The educational adequacy and type of programs.

28 (b) The number of students and children who are to be served by the
29 program.

30 (c) The availability of trained personnel and facilities.

31 (d) The need for the programs in the applying district.

1 (3) In approving applications for child development programs, the [*de-*
2 *partment*] **division** shall require that the school district use the contributions
3 described in ORS 315.234 (2003 or earlier edition) for child development cur-
4 riculum and in the formulation and initiation of on-site child development
5 centers. Each center must be able to accommodate not more than 30 full-time
6 equivalent spaces for children, distributed according to needs of the commu-
7 nity.

8 (4) In approving applications for student-parent programs, the
9 [*department*] **division** shall require that the school district use the contri-
10 butions described in ORS 315.234 (2003 or earlier edition) for appropriate
11 education for student-parents leading to graduation and in the formulation
12 and development of appropriate on-site child care facilities. Each facility
13 must be able to accommodate not more than 30 full-time equivalent spaces
14 for children, distributed according to the needs of the student-parents.

15 (5) As used in this section:

16 (a) “Child development program” means an educational program that
17 conforms to standards adopted by the [*State Board of Education*] **Early**
18 **Learning Council** and that consists of an education component and a child
19 care component.

20 (b) “Student-parent program” means an educational program that con-
21 forms to standards adopted by the [*State Board of Education*] **Early Learn-**
22 **ing Council** and that consists of education for the student-parent and child
23 care for the student-parent’s child.

24 **SECTION 17.** ORS 329.395 is amended to read:

25 329.395. As used in ORS 329.395 to 329.425:

26 (1) “Child development program” means an educational program funded
27 by ORS 329.395 to 329.425 that conforms to standards adopted by the [*State*
28 *Board of Education*] **Early Learning Council** and that consists of an edu-
29 cation component and a child care component.

30 (2) “Teenage parent program” means an educational program funded by
31 ORS 329.395 to 329.425 that conforms to standards adopted by the [*State*

1 *Board of Education*] **Early Learning Council** and that consists of education
2 for the student-parent and child care for the student-parent's child.

3 **SECTION 18.** ORS 329.415 is amended to read:

4 329.415. (1) The [*Department of Education*] **Early Learning Division** shall
5 prepare operating guides for child development programs and for teenage
6 parent programs applicable to programs under ORS 329.395 to 329.425 that
7 are consistent with requirements imposed by the [*State Board of Education*]
8 **Early Learning Council**.

9 (2) The [*department*] **division** shall review applications for approval of
10 child development programs and teenage parent programs and may approve
11 those programs after considering:

12 (a) The educational adequacy and type of programs.

13 (b) The number of students and children who are to be served by the
14 program.

15 (c) The availability of trained personnel and facilities.

16 (d) The need for the programs in the applying district.

17 (3) In approving applications for child development programs, the [*de-*
18 *partment*] **division** shall require that the school district use its grant for
19 child development curriculum and in the formulation and initiation of on-site
20 child development centers. Each center must be able to accommodate from
21 15 to 30 full-time equivalent spaces for children, distributed according to
22 needs of the community.

23 (4) In approving applications for teenage parent programs, the
24 [*department*] **division** shall require that the school district use the grant in
25 connection with appropriate education for teenage parents leading to gradu-
26 ation and in the formulation and development of appropriate on-site child
27 care centers. Each center must be able to accommodate from 15 to 30 full-
28 time equivalent spaces for children, distributed according to the needs of the
29 teenage student-parents.

30 **SECTION 19.** Section 10, chapter 37, Oregon Laws 2012, is amended to
31 read:

1 **Sec. 10.** (1) The Early Learning [*Council*] **Division** Fund is established
2 in the State Treasury, separate and distinct from the General Fund. Interest
3 earned by the Early Learning [*Council*] **Division** Fund shall be credited to
4 the fund.

5 (2) Moneys in the Early Learning [*Council*] **Division** Fund consist of:

6 (a) Amounts donated to the fund;

7 (b) Moneys transferred to the fund from the federal government, state
8 agencies and local governments;

9 (c) Amounts appropriated or otherwise transferred to the fund by the
10 Legislative Assembly;

11 (d) Investment earnings received on moneys in the fund; and

12 (e) Other amounts deposited in the fund from any source.

13 (3) Moneys in the fund are continuously appropriated to the [*Early*
14 *Learning Council established in section 4, chapter 519, Oregon Laws 2011,*]
15 **Early Learning Division** for the purpose of fulfilling the [*council's*]
16 **division's** duties, functions and powers.

17 (4) The [*council*] **division** may establish accounts and subaccounts within
18 the fund when the [*council*] **division** determines that accounts or subac-
19 counts are necessary or desirable and may credit any interest or income de-
20 rived from moneys in the fund to any account or subaccount in the fund.

21 **SECTION 20.** (1) **The amendments to section 10, chapter 37, Oregon**
22 **Laws 2012, by section 19 of this 2013 Act are intended to change the**
23 **name of the “Early Learning Council Fund” to the “Early Learning**
24 **Division Fund.”**

25 **(2) For the purpose of harmonizing and clarifying statutory law, the**
26 **Legislative Counsel may substitute for words designating the “Early**
27 **Learning Council Fund,” wherever they occur in statutory law, other**
28 **words designating the “Early Learning Division Fund.”**

29 **SECTION 21.** ORS 131A.360, as amended by section 33, chapter 37,
30 Oregon Laws 2012, and section 18, chapter 97, Oregon Laws 2012, is amended
31 to read:

1 131A.360. (1) The provisions of this section apply only to a forfeiting
2 agency other than the state, and apply only to forfeiture proceeds arising out
3 of prohibited conduct as defined by ORS 131A.005 (12)(a).

4 (2) If the forfeiting agency is not a county, the forfeiting agency shall
5 enter into an agreement, under ORS chapter 190, with the county in which
6 the property was seized to provide a portion of the forfeiture proceeds to the
7 county.

8 (3) After entry of a judgment of forfeiture, a forfeiting agency shall first
9 pay from the forfeiture proceeds the costs incurred by seizing and forfeiting
10 agencies in investigating and prosecuting the case, including costs, dis-
11 bursements and attorney fees as defined in ORCP 68 A, special expenses such
12 as the provision of currency for undercover law enforcement operations, the
13 cost of disabling a hidden compartment in a motor vehicle and the expenses
14 of maintaining the seized property. The forfeiting agency may not pay ex-
15 penditures made in connection with the ordinary maintenance and operation
16 of a seizing or forfeiting agency under this subsection.

17 (4) After payment of costs under subsection (3) of this section, the for-
18 feiting agency shall:

19 (a) Deduct an amount equal to five percent of the forfeiture proceeds and
20 deposit that amount in the Illegal Drug Cleanup Fund established by ORS
21 475.495 for the purposes specified in ORS 475.495 (5) and (6);

22 (b) Deduct an amount equal to 2.5 percent of the forfeiture proceeds and
23 deposit that amount in the Asset Forfeiture Oversight Account;

24 (c) Deduct an amount equal to 20 percent of the forfeiture proceeds and
25 deposit that amount in the Oregon Criminal Justice Commission Account
26 established under ORS 137.662 for disbursement to drug court programs as
27 described in ORS 3.450; and

28 (d) Deduct an amount equal to 10 percent of the forfeiture proceeds and
29 deposit that amount in the Early Learning [*Council*] **Division** Fund estab-
30 lished in section 10, chapter 37, Oregon Laws 2012, for disbursement to relief
31 nurseries as described in ORS 417.788.

1 (5) If the forfeiting agency has entered into an agreement with a county
2 under subsection (2) of this section, after paying costs under subsection (3)
3 of this section and making the deductions required by subsection (4) of this
4 section, the forfeiting agency shall pay the county the amounts required by
5 the agreement.

6 (6) After making all payments and deductions required by subsections (3),
7 (4) and (5) of this section, the forfeiting agency may use the remaining
8 forfeiture proceeds, including amounts received by a county under subsection
9 (5) of this section or by any other public body under an intergovernmental
10 agreement entered into under ORS 131A.355, only for:

11 (a) The purchase of equipment necessary for the enforcement of laws re-
12 lating to the unlawful delivery, distribution, manufacture or possession of
13 controlled substances;

14 (b) Currency for undercover law enforcement operations;

15 (c) Drug awareness and drug education programs offered in middle schools
16 and high schools;

17 (d) The expenses of a forfeiting agency in operating joint narcotic oper-
18 ations with other forfeiting agencies pursuant to the terms of an intergov-
19 ernmental agreement, including paying for rental space, utilities and office
20 equipment;

21 (e) Expenses of a district attorney in criminal prosecutions for unlawful
22 delivery, distribution, manufacture or possession of controlled substances,
23 as determined through intergovernmental agreement between the forfeiting
24 agency and the district attorney;

25 (f) Drug treatment and programs that support drug treatment; and

26 (g) A CASA Volunteer Program as defined in section 3, chapter 97,
27 Oregon Laws 2012.

28 (7) Notwithstanding subsection (6) of this section, growing equipment and
29 laboratory equipment seized by a forfeiting agency that was used, or intended
30 for use, in the manufacturing of controlled substances may be donated to a
31 public school, community college or institution of higher education.

1 (8) A forfeiting agency shall sell as much property as may be needed to
2 make the distributions required by this section. Distributions required under
3 subsection (4) of this section must be made once every three months and are
4 due within 20 days of the end of each quarter. No interest shall accrue on
5 amounts that are paid within the period specified by this subsection.

6 **SECTION 22.** ORS 131A.365, as amended by section 34, chapter 37,
7 Oregon Laws 2012, is amended to read:

8 131A.365. (1) The provisions of this section apply only when the forfeiting
9 agency is the state, and apply only to forfeiture proceeds arising out of
10 prohibited conduct as defined by ORS 131A.005 (12)(a).

11 (2) After entry of a judgment of forfeiture, a forfeiting agency shall first
12 pay from the forfeiture proceeds the costs incurred by seizing and forfeiting
13 agencies in investigating and prosecuting the case, including costs, dis-
14 bursements and attorney fees as defined in ORCP 68 A, special expenses such
15 as the provision of currency for undercover law enforcement operations, the
16 cost of disabling a hidden compartment in a motor vehicle and the expenses
17 of maintaining the seized property. The forfeiting agency may not pay ex-
18 penditures made in connection with the ordinary maintenance and operation
19 of a seizing or forfeiting agency under this subsection. Any amount paid to
20 or retained by the Department of Justice under this subsection shall be de-
21 posited in the Criminal Justice Revolving Account in the State Treasury.
22 Any amount paid to or retained by the Oregon State Police under this sub-
23 section shall be deposited in the State Police Account.

24 (3) After payment of costs under subsection (2) of this section, the for-
25 feiting agency shall:

26 (a) Deduct an amount equal to 10 percent of the forfeiture proceeds and
27 deposit that amount in the Illegal Drug Cleanup Fund established by ORS
28 475.495 for the purposes specified in ORS 475.495 (5) and (6);

29 (b) Deduct an amount equal to three percent of the forfeiture proceeds,
30 not to exceed \$50,000 in a biennium, and deposit that amount in the Asset
31 Forfeiture Oversight Account;

1 (c) Deduct an amount equal to 20 percent of the forfeiture proceeds and
2 deposit that amount in the Oregon Criminal Justice Commission Account
3 established under ORS 137.662 for disbursement to drug court programs as
4 described in ORS 3.450; and

5 (d) Deduct an amount equal to 10 percent of the forfeiture proceeds and
6 deposit that amount in the Early Learning [Council] **Division** Fund estab-
7 lished in section 10, chapter 37, Oregon Laws 2012, for disbursement to relief
8 nurseries as described in ORS 417.788.

9 (4) If the forfeiting agency has entered into an intergovernmental agree-
10 ment with another public body under ORS 131A.355, or has entered into an
11 agreement with any other law enforcement agency of the state relating to
12 distribution of forfeiture proceeds, after paying costs under subsection (2) of
13 this section and making the deductions required by subsection (3) of this
14 section, the forfeiting agency shall pay an equitable portion of the forfeiture
15 proceeds to each agency participating in the seizure or forfeiture as provided
16 by the agreement.

17 (5) After making all payments and deductions required by subsections (2),
18 (3) and (4) of this section, the forfeiting agency shall distribute the remaining
19 forfeiture proceeds as follows:

20 (a) If no law enforcement agency other than the Department of Justice
21 participated in the seizure or forfeiture, the remaining forfeiture proceeds,
22 and forfeiture proceeds received by the Department of Justice under sub-
23 section (4) of this section, shall be divided between the Criminal Justice
24 Revolving Account and the Special Crime and Forfeiture Account according
25 to the following schedule:

26 (A) One hundred percent of the first \$200,000 accumulated shall be de-
27 posited in the Criminal Justice Revolving Account.

28 (B) Seventy-five percent of the next \$200,000 shall be deposited in the
29 Criminal Justice Revolving Account and the balance in the Special Crime
30 and Forfeiture Account.

31 (C) Fifty percent of the next \$200,000 shall be deposited in the Criminal

1 Justice Revolving Account and the balance in the Special Crime and
2 Forfeiture Account.

3 (D) Twenty-five percent of the next \$200,000 shall be deposited in the
4 Criminal Justice Revolving Account and the balance in the Special Crime
5 and Forfeiture Account.

6 (E) One hundred percent of all additional sums shall be deposited in the
7 Special Crime and Forfeiture Account.

8 (b) If no law enforcement agency other than the Department of State Po-
9 lice participated in the seizure or forfeiture, the remaining proceeds, and
10 proceeds received by the Department of State Police under subsection (4) of
11 this section, shall be divided between the State Police Account and the
12 Special Crime and Forfeiture Account according to the following schedule:

13 (A) One hundred percent of the first \$600,000 accumulated shall be de-
14 posited in the State Police Account.

15 (B) Seventy-five percent of the next \$300,000 shall be deposited in the
16 State Police Account and the balance in the Special Crime and Forfeiture
17 Account.

18 (C) Fifty percent of the next \$200,000 shall be deposited in the State Po-
19 lice Account and the balance in the Special Crime and Forfeiture Account.

20 (D) Twenty-five percent of the next \$200,000 shall be deposited in the
21 State Police Account and the balance in the Special Crime and Forfeiture
22 Account.

23 (E) One hundred percent of all additional sums shall be deposited in the
24 Special Crime and Forfeiture Account.

25 (6) Forfeiture proceeds distributed under subsection (5) of this section
26 may be used only for:

27 (a) The purchase of equipment necessary for the enforcement of laws re-
28 lating to the unlawful delivery, distribution, manufacture or possession of
29 controlled substances;

30 (b) Currency for undercover law enforcement operations;

31 (c) Drug awareness and drug education programs offered in middle schools

1 and high schools; and

2 (d) The expenses of a forfeiting agency in operating joint narcotic oper-
3 ations with other forfeiting agencies pursuant to the terms of an intergov-
4 ernmental agreement, including paying for rental space, utilities and office
5 equipment.

6 (7) A forfeiting agency shall sell as much property as may be needed to
7 make the distributions required by this section. Distributions required under
8 subsection (3) of this section must be made once every three months and are
9 due within 20 days of the end of each quarter. No interest shall accrue on
10 amounts that are paid within the period specified by this subsection.

11 **SECTION 23.** Section 68b, chapter 37, Oregon Laws 2012, is amended to
12 read:

13 **Sec. 68b.** The Keep Kids Safe Registration Plate Account is established
14 within the Early Learning [*Council*] **Division** Fund. All moneys received by
15 the Early Learning Council from the sale of Keep Kids Safe registration
16 plates shall be deposited into the account and are continuously appropriated
17 to the council to be distributed to counties as provided in ORS 805.205.

18 **SECTION 24.** ORS 329.156, as amended by section 39, chapter 37, Oregon
19 Laws 2012, is amended to read:

20 329.156. (1) The Department of Education and the Department of Human
21 Services shall support the development and implementation of a network of
22 community learning centers across the state.

23 (2) Within available funding, the Early Learning [*Council*] **Division**, in
24 conjunction with local commissions on children and families or other or-
25 ganizations that provide training and technical assistance to schools or
26 community programs, shall provide training and technical assistance to pro-
27 mote the development and implementation of community learning centers.
28 To the extent possible, the [*council*] **division** shall use voluntary organiza-
29 tions to provide the training and technical assistance.

30 (3) If a community learning center is created by a school district, the
31 school district shall coordinate with the local commission on children and

1 families to ensure that the community learning center is referenced in the
2 local coordinated comprehensive plan, implemented pursuant to ORS 417.775.

3 (4) Community learning centers created pursuant to this section shall:

4 (a) Be located in or near a school or a cluster of schools;

5 (b) Involve parents in the care and education of their children;

6 (c) Involve the local community in developing and overseeing community
7 learning center programs;

8 (d) Incorporate the principles of family support services described in ORS
9 329.150 and 417.342;

10 (e) In partnership with the local school district board, create or designate
11 an advisory committee to offer guidance on program development and im-
12 plementation, with membership that is representative of the diversity of
13 community interests, including representatives of businesses, schools, faith-
14 based organizations, social service and health care agencies, cultural groups,
15 recreation groups, municipal governments, community colleges, libraries,
16 child care providers, parents and youths;

17 (f) Conduct an assessment of strengths, needs and assets within the com-
18 munity to be served by the community learning center that identifies services
19 being delivered in the community, defines and clarifies services that are
20 missing or overlapping and builds on any existing community assessments;
21 and

22 (g) Coordinate the community assessment with the local commission on
23 children and families.

24 (5) The Department of Human Services and the Department of Education
25 shall provide technical assistance to community learning centers to develop
26 policies ensuring that confidential information is disclosed only in accord-
27 ance with state and federal laws.

28 **SECTION 25.** ORS 329.156, as amended by sections 39 and 86, chapter 37,
29 Oregon Laws 2012, is amended to read:

30 329.156. (1) The Department of Education and the Department of Human
31 Services shall support the development and implementation of a network of

1 community learning centers across the state.

2 (2) Within available funding, the Early Learning [*Council*] **Division**, in
3 conjunction with other organizations that provide training and technical
4 assistance to schools or community programs, shall provide training and
5 technical assistance to promote the development and implementation of
6 community learning centers. To the extent possible, the [*council*] **division**
7 shall use voluntary organizations to provide the training and technical as-
8 sistance.

9 (3) Community learning centers created pursuant to this section shall:

10 (a) Be located in or near a school or a cluster of schools;

11 (b) Involve parents in the care and education of their children;

12 (c) Involve the local community in developing and overseeing community
13 learning center programs;

14 (d) Incorporate the principles of family support services described in ORS
15 329.150 and 417.342;

16 (e) In partnership with the local school district board, create or designate
17 an advisory committee to offer guidance on program development and im-
18 plementation, with membership that is representative of the diversity of
19 community interests, including representatives of businesses, schools, faith-
20 based organizations, social service and health care agencies, cultural groups,
21 recreation groups, municipal governments, community colleges, libraries,
22 child care providers, parents and youths; and

23 (f) Conduct an assessment of strengths, needs and assets within the com-
24 munity to be served by the community learning center that identifies services
25 being delivered in the community, defines and clarifies services that are
26 missing or overlapping and builds on any existing community assessments.

27 (4) The Department of Human Services and the Department of Education
28 shall provide technical assistance to community learning centers to develop
29 policies ensuring that confidential information is disclosed only in accord-
30 ance with state and federal laws.

31 **SECTION 26.** ORS 417.787, as amended by section 49, chapter 37, Oregon

1 Laws 2012, is amended to read:

2 417.787. The Early Learning [*Council*] **Division** shall:

3 (1) Determine when funds for services for children and families not de-
4 scribed in ORS 409.010 (2)(a) and 430.215 are to be transferred to the local
5 commission. If a local commission with an approved local coordinated com-
6 prehensive plan requests a transfer, the Early Learning [*Council*] **Division**
7 shall determine whether funds can be transferred.

8 (2) Determine which, if any, services for children and families that are
9 not described in ORS 409.010 (2)(a) and 430.215 are not to be transferred to
10 local commissions but are to remain state responsibilities.

11 **SECTION 27.** ORS 417.788, as amended by section 50, chapter 37, Oregon
12 Laws 2012, is amended to read:

13 417.788. (1) The Early Learning [*Council*] **Division** shall support relief
14 nurseries statewide through both local commissions on children and families
15 and tribes, as funding becomes available. Local commissions and tribes may
16 establish relief nurseries for young children who are at risk and their fami-
17 lies. Local commissions in adjoining counties may choose to establish re-
18 gional relief nurseries. The relief nurseries shall:

19 (a) Be consistent with the voluntary early childhood system plan that is
20 part of the local coordinated comprehensive plan; and

21 (b) Involve the parents of children served by the relief nurseries.

22 (2) Programs at the relief nurseries shall include:

23 (a) Therapeutic early childhood education programs; and

24 (b) Parent education, training and support.

25 (3) Each relief nursery that receives state funding shall have financial
26 support from the community that is at least equal to 25 percent of any state
27 allocation.

28 **SECTION 28.** ORS 417.788, as amended by sections 50 and 92, chapter 37,
29 Oregon Laws 2012, is amended to read:

30 417.788. (1) The Early Learning [*Council*] **Division** shall support relief
31 nurseries statewide as funding becomes available. The [*council*] **division**

1 may encourage communities to establish relief nurseries for young children
2 who are at risk and their families. Adjoining counties may choose to estab-
3 lish regional relief nurseries. The relief nurseries shall:

4 (a) Be consistent with the voluntary early learning system overseen by
5 the Early Learning Council; and

6 (b) Involve the parents of children served by the relief nurseries.

7 (2) Programs at the relief nurseries shall include:

8 (a) Therapeutic early childhood education programs; and

9 (b) Parent education, training and support.

10 (3) Each relief nursery that receives state funding shall have financial
11 support from the community that is at least equal to 25 percent of any state
12 allocation.

13 **SECTION 29.** ORS 417.790, as amended by section 51, chapter 37, Oregon
14 Laws 2012, is amended to read:

15 417.790. The Early Learning [*Council*] **Division** shall:

16 (1) Make grants to local commissions on children and families to fund
17 research-based services and initiatives to improve outcomes for children,
18 youth or families. The [*council*] **division** shall assist counties in the imple-
19 mentation of community services that are efficient, accountable, coordinated
20 and readily available. Grants for services and initiatives to support children,
21 youth or families shall be used at the local level according to the county's
22 local coordinated comprehensive plan. These services shall be provided in
23 accordance with ORS 417.715 and 417.720.

24 (2) Make Great Start grants to local commissions on children and families
25 to fund community-based programs for children zero through six years of age.
26 A county or region shall use Great Start grant funds to provide research-
27 based early childhood programs in community settings and to provide ser-
28 vices that have proven to be successful and that meet the needs of the
29 community as described in the county's local coordinated comprehensive
30 plan. These services shall be provided in accordance with ORS 417.728.

31 **SECTION 30.** ORS 417.790, as amended by sections 51 and 93, chapter 37,

1 Oregon Laws 2012, is amended to read:

2 417.790. The Early Learning [*Council*] **Division** shall:

3 (1) Make grants to fund research-based services and initiatives to improve
4 outcomes for children, youth or families. The [*council*] **division** and
5 community-based coordinators of early learning services shall assist counties
6 in the implementation of community services that are efficient, accountable,
7 coordinated and readily available. These services shall be provided in ac-
8 cordance with ORS 417.715 and 417.720.

9 (2) Make Great Start grants to fund community-based programs for chil-
10 dren zero through six years of age. A county or region shall use Great Start
11 grant funds to provide research-based early childhood programs in commu-
12 nity settings and to provide services that have proven to be successful and
13 that meet the needs of the community. These services shall be provided in
14 accordance with ORS 417.728.

15 **SECTION 31.** ORS 417.793, as amended by section 52, chapter 37, Oregon
16 Laws 2012, is amended to read:

17 417.793. The Early Learning [*Council*] **Division** shall support parents-as-
18 teachers programs statewide through local commissions on children and
19 families as funding becomes available. If a local commission offers a pro-
20 gram, the program shall be part of a comprehensive, research-based approach
21 to parent education and support. The program shall be consistent with the
22 voluntary early childhood system plan that is part of the local coordinated
23 comprehensive plan.

24 **SECTION 32.** ORS 417.793, as amended by sections 52 and 94, chapter 37,
25 Oregon Laws 2012, is amended to read:

26 417.793. The Early Learning [*Council*] **Division** shall support parents-as-
27 teachers programs statewide as funding becomes available. If a program is
28 offered, the program shall be part of a comprehensive, research-based ap-
29 proach to parent education and support. The program shall be consistent
30 with the voluntary early learning system plan overseen by the Early Learn-
31 ing Council.

1 **SECTION 33.** ORS 418.975, as amended by section 58, chapter 37, Oregon
2 Laws 2012, is amended to read:

3 418.975. As used in ORS 418.975 to 418.985:

4 (1) “Cultural competence” means accepting and respecting diversity and
5 differences in a continuous process of self-assessment and reflection on one’s
6 personal and organizational perceptions of the dynamics of culture.

7 (2) “Family” includes, with respect to a youth:

8 (a) A biological or legal parent;

9 (b) A sibling;

10 (c) An individual related by blood, marriage or adoption;

11 (d) A foster parent;

12 (e) A legal guardian;

13 (f) A caregiver;

14 (g) An individual with a significant social relationship with the youth;

15 and

16 (h) Any person who provides natural, formal or informal support to the
17 youth that the youth identifies as important.

18 (3) “Family-run organization” means a private nonprofit entity organized
19 for the purpose of serving families with a youth who has a serious emotional
20 disorder. The entity must:

21 (a) Have a governing board in which a majority of the members are family
22 members of a youth with a serious emotional disorder; and

23 (b) Give a preference to family members in hiring decisions for the entity.

24 (4) “Identified population” means youth who have or are at risk of de-
25 veloping emotional, behavioral or substance use related needs, and who are
26 involved with two or more systems of care.

27 (5) “Partner agency” includes the Department of Education, Oregon
28 Youth Authority, Department of Human Services, Early Learning [Council]
29 **Division**, Youth Development Council, Oregon Health Authority and other
30 appropriate agencies involved in the system of care.

31 (6) “Services and supports” means public, private and community re-

1 sources that assist youth in the achievement of positive outcomes.

2 (7) "System of care" means a coordinated network of services including
3 education, child welfare, public health, primary care, pediatric care, juvenile
4 justice, mental health treatment, substance use treatment, developmental
5 disability services and any other services and supports to the identified
6 population that integrates care planning and management across multiple
7 levels, that is culturally and linguistically competent, that is designed to
8 build meaningful partnerships with families and youth in the delivery and
9 management of services and the development of policy and that has a sup-
10 portive policy and management infrastructure.

11 (8) "Wraparound" means a definable, team-based planning process involv-
12 ing a youth and the youth's family that results in a unique set of community
13 services and services and supports individualized for that youth and family
14 to achieve a set of positive outcomes.

15 (9) "Youth" means an individual 18 years of age or younger.

16 **SECTION 34.** ORS 458.525, as amended by section 65, chapter 37, Oregon
17 Laws 2012, is amended to read:

18 458.525. (1) The Interagency Council on Hunger and Homelessness is es-
19 tablished. The Director of the Housing and Community Services Department
20 shall chair the council. In addition to the director, the council shall consist
21 of 15 members as follows:

22 (a) One member representing each of the following:

23 (A) The Housing and Community Services Department.

24 (B) The Department of Corrections.

25 (C) The Oregon Business Development Department.

26 (D) The Early Learning [*Council*] **Division**.

27 (E) The Department of Education.

28 (F) The State Department of Agriculture.

29 (G) The Employment Department.

30 (H) The Department of Veterans' Affairs.

31 (I) The Department of Transportation.

1 (J) The Oregon Youth Authority.

2 (K) The Department of Community Colleges and Workforce Development.

3 (L) The Department of Justice.

4 (M) The Oregon Health Authority.

5 (b) Two members representing the Department of Human Services. Of the
6 two members representing that department:

7 (A) One shall have expertise on issues affecting services to adults and
8 families.

9 (B) One shall have expertise on issues affecting services to seniors and
10 to persons with disabilities.

11 (2) Each council member must be the administrative head of the listed
12 agency or an employee of that agency who is designated by the administra-
13 tive head and who has an agency policy-making role affecting hunger, food
14 programs, nutrition, homelessness or related issues.

15 (3) The Hunger Relief Task Force shall adopt recommendations and pro-
16 posals as the task force deems appropriate. The council shall be responsible
17 for receiving the recommendations and proposals adopted by the task force
18 and the recommendations of any state body relating to the issue of
19 homelessness, and for forwarding the recommendations and proposals to state
20 agencies or other public or private organizations for action that the council
21 deems appropriate:

22 (a) To ensure the coordination of state agency hunger relief efforts and
23 homelessness relief efforts;

24 (b) To ensure that food and nutrition programs, other hunger relief efforts
25 and homelessness relief efforts operate efficiently and effectively;

26 (c) To monitor the utilization of federal hunger relief efforts and
27 homelessness relief efforts and provide outreach to expand underutilized
28 programs; and

29 (d) To encourage the coordination of state and local programs, public and
30 private antipoverty programs affecting food distribution and programs for
31 assisting the homeless.

1 (4) The Director of the Housing and Community Services Department, in
2 collaboration with the Director of Human Services, shall convene council
3 meetings at least quarterly.

4 (5) The Director of the Housing and Community Services Department
5 shall provide the council with staff support the director deems appropriate,
6 by using Housing and Community Services Department employees or by
7 contract. The director shall also provide the council with supplies as the
8 director deems appropriate.

9 **SECTION 35.** ORS 609.652, as amended by section 66, chapter 37, Oregon
10 Laws 2012, and section 15, chapter 67, Oregon Laws 2012, is amended to read:

11 609.652. As used in ORS 609.654:

12 (1)(a) "Aggravated animal abuse" means any animal abuse as described
13 in ORS 167.322.

14 (b) "Aggravated animal abuse" does not include:

15 (A) Good animal husbandry, as defined in ORS 167.310; or

16 (B) Any exemption listed in ORS 167.335.

17 (2) "Law enforcement agency" means:

18 (a) Any city or municipal police department.

19 (b) A police department established by a university under ORS 352.383.

20 (c) Any county sheriff's office.

21 (d) The Oregon State Police.

22 (e) A law enforcement division of a county or municipal animal control
23 agency that employs sworn officers.

24 (f) A humane investigation agency as defined in section 1, chapter 67,
25 Oregon Laws 2012, that employs humane special agents commissioned under
26 section 1, chapter 67, Oregon Laws 2012.

27 (3) "Public or private official" means:

28 (a) A physician, including any intern or resident.

29 (b) A dentist.

30 (c) A school employee.

31 (d) A licensed practical nurse or registered nurse.

1 (e) An employee of the Department of Human Services, Oregon Health
2 Authority, Early Learning [*Council*] **Division**, Youth Development Council,
3 [*Child Care Division of the Employment Department*] **Child Care Office**, the
4 Oregon Youth Authority, a county health department, a community mental
5 health program, a community developmental disabilities program, a county
6 juvenile department, a licensed child-caring agency or an alcohol and drug
7 treatment program.

8 (f) A peace officer.

9 (g) A psychologist.

10 (h) A member of the clergy.

11 (i) A regulated social worker.

12 (j) An optometrist.

13 (k) A chiropractor.

14 (L) A certified provider of foster care, or an employee thereof.

15 (m) An attorney.

16 (n) A naturopathic physician.

17 (o) A licensed professional counselor.

18 (p) A licensed marriage and family therapist.

19 (q) A firefighter or emergency medical services provider.

20 (r) A court appointed special advocate, as defined in ORS 419A.004.

21 (s) A child care provider registered or certified under ORS 657A.030 and
22 657A.250 to 657A.450.

23 (t) A member of the Legislative Assembly.

24 **SECTION 36.** Section 77, chapter 37, Oregon Laws 2012, is amended to
25 read:

26 **Sec. 77.** (1) As used in this section, “community-based coordinator of
27 early learning services” means counties, cities, school districts, education
28 service districts, community colleges, public universities, private educational
29 institutions, faith-based organizations, nonprofit service providers, tribes and
30 any other entity that meets the minimum criteria to be a community-based
31 coordinator of early learning services, as determined by the Early Learning

1 *[Council]* **Division.**

2 (2) The Early Learning *[Council]* **Division** shall implement and oversee
3 a system that coordinates the delivery of early learning services to the
4 communities of this state through the use of community-based coordinators
5 of early learning services.

6 (3) The system implemented and overseen by the *[council]* **division** must
7 ensure that:

8 (a) Providers of early learning services are accountable;

9 (b) Services are provided in a cost-efficient manner; and

10 (c) The services provided, and the means by which those services are
11 provided, are focused on the outcomes of the services.

12 (4) An entity may become a community-based coordinator of early learn-
13 ing services by submitting to the *[council]* **division** an application that
14 demonstrates the following:

15 (a) The entity is able to coordinate the provision of early learning ser-
16 vices to the community that will be served by the entity. An entity may make
17 the demonstration required by this paragraph by submitting evidence that
18 local stakeholders, including but not limited to service providers, parents,
19 community members, county governments, local governments and school
20 districts, have participated in the development of the application.

21 (b) The services coordinated by the entity will be in alignment with the
22 services provided by the public schools of the community that will be served
23 by the entity.

24 (c) The entity will make advantageous use of the system of public health
25 care and services available through county health departments and other
26 publicly supported programs delivered through, or in partnership with,
27 counties.

28 (d) The entity has a governing body or an advisory body that:

29 (A) Has the authority to initiate audits, recommend the terms of a con-
30 tract and provide reports to the public and to the Early Learning Council
31 on the outcomes of the provision of early learning services to the community

1 served by the entity.

2 (B) Has members selected through a transparent process.

3 (e) The entity will collaborate on documentation related to coordinated
4 services with public and private entities that are identified by the Early
5 Learning [*Council*] **Division** as providers of services that advance the early
6 learning of children.

7 (f) The entity will serve a community that is based on the population and
8 service needs of the community.

9 (g) The entity is able to raise significant funds from public and private
10 sources to support early learning services coordinated by the entity.

11 (h) The entity meets any other qualifications established by the Early
12 Learning Council.

13 (5) The Early Learning Council may develop requirements in addition to
14 the requirements described in subsections (3) and (4) of this section that an
15 entity must meet to qualify as a community-based coordinator of early
16 learning services. When developing the requirements, the council must use
17 a statewide public process of community engagement that is consistent with
18 the requirements of the federal Head Start Act.

19 (6) When determining whether to designate an entity as a community-
20 based coordinator of early learning services, the Early Learning [*Council*]
21 **Division** shall balance the following factors:

22 (a) The entity's ability to engage the community and be involved in the
23 community.

24 (b) The entity's ability to produce outcomes that benefit children.

25 (c) The entity's resourcefulness.

26 (d) The entity's use, or proposed use, of evidence-based practices.

27 (7) The Early Learning [*Council*] **Division** may alter the lines of the ter-
28 ritory served by a community-based coordinator of early learning services
29 only to ensure that all children of this state are served by a community-based
30 coordinator of early learning services.

31 (8) An entity designated as a community-based coordinator of early

1 learning services may not use more than 15 percent of the moneys received
2 by the entity from the Early Learning [*Council*] **Division** to pay adminis-
3 trative costs of the entity.

4
5 **STATE INTERAGENCY COORDINATING COUNCIL**

6
7 **SECTION 37. (1) The State Interagency Coordinating Council shall**
8 **submit a report to interim legislative committees on education that**
9 **provides a recommendation about the appropriate entity to adopt rules**
10 **and develop policy related to early childhood special education and**
11 **early intervention services.**

12 **(2) When making the recommendation required by subsection (1)**
13 **of this section, the council shall:**

14 **(a) Consult with the Superintendent of Public Instruction, the Early**
15 **Learning System Director, providers of early childhood special educa-**
16 **tion and early intervention services, parents of children with disabili-**
17 **ties and other advocacy groups identified by the council; and**

18 **(b) Ensure that the recommendation complies with federal special**
19 **education laws, continuity of program rules and other safeguards es-**
20 **tablished for programs related to special education and intervention**
21 **services.**

22 **(3) If the council recommends that the authority to adopt rules and**
23 **develop policy be vested in the State Board of Education, the council**
24 **shall recommend methods by which the board shall seek and incorpo-**
25 **rate input from other entities providing early learning services.**

26 **(4) The report required by this section must be submitted no later**
27 **than October 1, 2014.**

28
29 **THE CHILD CARE OFFICE**

30
31 **SECTION 38. ORS 657A.010, as amended by section 117, chapter 37,**

1 Oregon Laws 2012, is amended to read:

2 657A.010. (1) There is established within the [*Employment Department a*
3 *Child Care Division*] **Early Learning Division the Child Care Office.**

4 (2) The Child Care [*Division*] **Office**, as designated by the Governor, shall
5 be responsible for administering funds received by the State of Oregon pur-
6 suant to the federal Child Care and Development Block Grant Act of 1990,
7 the Dependent Care Planning and Development Grant and other federal child
8 care funds and grants received by the State of Oregon.

9 (3) The Child Care [*Division*] **Office** shall comply with directives of the
10 Early Learning Council established in section 4, chapter 519, Oregon Laws
11 2011, in the [*division's*] **office's** implementation of the provisions of ORS
12 657A.250 to 657A.450.

13 (4) There is established in the State Treasury, separate and distinct from
14 the General Fund, the Child Care Fund. The Child Care Fund shall consist
15 of moneys collected and received by the Child Care [*Division*] **Office** pursu-
16 ant to subsection (2) of this section, ORS 657A.310 and 657A.992 and such
17 moneys as may be otherwise made available by law. Interest earned on the
18 fund shall be credited to the fund. The moneys in the Child Care Fund are
19 appropriated continuously to the Child Care [*Division*] **Office** and shall be
20 used in a manner consistent with the grant of funds or for the administration
21 of ORS 181.537, 657A.030 and 657A.250 to 657A.450.

22 **SECTION 39. (1) The amendments to ORS 657A.010 by section 38 of**
23 **this 2013 Act are intended to change the name of the “Child Care Di-**
24 **vision” to the “Child Care Office.”**

25 **(2) For the purpose of harmonizing and clarifying statutory law, the**
26 **Legislative Counsel may substitute for words designating the “Child**
27 **Care Division,” wherever they occur in statutory law, other words**
28 **designating the “Child Care Office.”**

29 **SECTION 40. ORS 657A.020 is amended to read:**

30 657A.020. (1) The Child Care [*Division*] **Office** staff shall provide techni-
31 cal assistance, linkage of local agencies, data collection and monitoring.

1 (2) The Child Care [*Division*] **Office** shall continually monitor and dis-
2 seminate information about federal and charitable programs for the purposes
3 of ORS 657A.100 to 657A.190.

4 **SECTION 41.** ORS 657A.030, as amended by section 5, chapter 348,
5 Oregon Laws 2009, section 7, chapter 60, Oregon Laws 2010, and section 3,
6 chapter 3, Oregon Laws 2012, is amended to read:

7 657A.030. (1) The [*Child Care Division of the Employment Department*]
8 **Child Care Office** shall establish a Central Background Registry.

9 (2) A subject individual shall apply to and must be enrolled in the Central
10 Background Registry as part of the individual's application to operate a
11 program or serve in a position described in subsection (8) of this section.

12 (3) Upon receiving an application for enrollment in the Central Back-
13 ground Registry, the [*division*] **office** shall complete a criminal records check
14 under ORS 181.534 and shall complete a child protective services records
15 check with the Department of Human Services. The [*division*] **office** shall
16 enroll the individual in the registry if the individual:

17 (a) Is determined to have no criminal or child protective services history
18 or to have dealt with the issues and provided adequate evidence of suitability
19 for the registry;

20 (b) Has paid the applicable fee established pursuant to ORS 657A.275; and

21 (c) Has complied with the rules of the [*division*] **office** adopted pursuant
22 to this section.

23 (4) The [*division*] **office** may conditionally enroll an individual in the
24 registry pending the results of a nationwide criminal records check through
25 the Federal Bureau of Investigation if the individual has met other require-
26 ments of the [*division*] **office** for enrollment in the registry.

27 (5) An enrollment in the Central Background Registry shall expire two
28 years from the date of enrollment and may be renewed upon application to
29 the [*division*] **office**, payment of the fee established pursuant to ORS
30 657A.275 and compliance with rules adopted by the [*division*] **office** pursuant
31 to this section. However, an individual who is determined to be ineligible

1 for enrollment in the registry after the date of initial enrollment shall be
2 removed from the registry by the [*division*] **office**.

3 (6)(a) A child care facility shall not hire or employ an individual if the
4 individual is not enrolled in the Central Background Registry.

5 (b) Notwithstanding paragraph (a) of this subsection, a child care facility
6 may employ on a probationary basis an individual who is conditionally en-
7 rolled in the Central Background Registry.

8 (7) The [*division*] **office** may adopt any rules necessary to carry out the
9 purposes of this section and the criminal records check program.

10 (8) For purposes of this section, “subject individual” means a subject in-
11 dividual as defined by the [*division*] **office** by rule or a person who applies
12 to be:

13 (a) The operator or an employee of a child care or treatment program;

14 (b) The operator or an employee of an Oregon prekindergarten program
15 under ORS 329.170 to 329.200;

16 (c) The operator or an employee of a federal Head Start program regu-
17 lated by the United States Department of Health and Human Services;

18 (d) An individual in a child care facility who may have unsupervised
19 contact with children as identified by the [*division*] **office**;

20 (e) A contractor or an employee of the contractor who provides early
21 childhood special education or early intervention services pursuant to ORS
22 343.455 to 343.534;

23 (f) A child care provider who is required to be enrolled in the Central
24 Background Registry by any state agency;

25 (g) A contractor, employee or volunteer of a metropolitan service district
26 organized under ORS chapter 268 who may have unsupervised contact with
27 children and who is required to be enrolled in the Central Background Reg-
28 istry by the metropolitan service district; or

29 (h) A provider of respite services, as defined in ORS 418.205, for parents
30 pursuant to a properly executed power of attorney under ORS 109.056 who
31 is providing respite services as a volunteer with a private agency or organ-

1 ization that facilitates the provision of such respite services.

2 (9)(a) Information provided to a metropolitan service district organized
3 under ORS chapter 268 about the enrollment status of the persons described
4 in subsection (8)(g) of this section shall be subject to a reciprocal agreement
5 with the metropolitan service district. The agreement must provide for the
6 recovery of administrative, including direct and indirect, costs incurred by
7 the [division] **office** from participation in the agreement. Any moneys col-
8 lected under this paragraph shall be deposited in the Child Care Fund es-
9 tablished under ORS 657A.010.

10 (b) Information provided to a private agency or organization facilitating
11 the provision of respite services, as defined in ORS 418.205, for parents pur-
12 suant to a properly executed power of attorney under ORS 109.056 about the
13 enrollment status of the persons described in subsection (8)(h) of this section
14 shall be subject to an agreement with the private agency or organization.
15 The agreement must provide for the recovery of administrative, including
16 direct and indirect, costs incurred by the [division] **office** from participation
17 in the agreement. Any moneys collected under this paragraph shall be de-
18 posited in the Child Care Fund established under ORS 657A.010.

19 **SECTION 42.** ORS 657A.180, as amended by section 118, chapter 37,
20 Oregon Laws 2012, is amended to read:

21 657A.180. (1) The Child Care [Division] **Office** shall create an advisory
22 committee to advise the [division] **office** on the development and adminis-
23 tration of child care resource and referral policies and practices. The Child
24 Care [Division] **Office** shall, in consultation with the advisory committee,
25 establish criteria for proposals, prepare requests for proposals, receive pro-
26 posals and award grants for the establishment of resource and referral pro-
27 grams.

28 (2) The Child Care [Division] **Office** shall collect and report data con-
29 cerning resource and referral programs.

30 (3)(a) The local resource and referral agencies shall match grant funds in
31 an amount not less than 10 percent of grant funds received. Matching fi-

1 nancial support includes, but is not limited to, in-kind contributions.

2 (b) As used in this subsection, “in-kind contributions” means nonmonetary
3 contributions that include but are not limited to:

4 (A) Provision of rent-free program space;

5 (B) Provision of utilities;

6 (C) Provision of custodial services;

7 (D) Provision of secretarial services;

8 (E) Provision of liability insurance or health insurance benefits;

9 (F) Administrative services; and

10 (G) Transportation services.

11 (4) The Child Care [*Division*] **Office** shall provide to the Early Learning
12 Council a report that summarizes the development and administration of
13 child care resource and referral policies and practices under this section. The
14 report must be provided at least twice a year and as otherwise required by
15 the Early Learning Council.

16 **SECTION 43.** ORS 657A.190 is amended to read:

17 657A.190. (1) The criteria for the renewal of a resource and referral pro-
18 gram shall include the following:

19 (a) Current and continuous satisfactory performance as a resource and
20 referral agency providing the full range of services required by ORS 657A.100
21 to 657A.190.

22 (b) Full fiscal and program compliance with contract requirements estab-
23 lished by the Child Care [*Division*] **Office**.

24 (c) Cost effectiveness.

25 (d) Extent and quality of service to the community.

26 (2) The [*division*] **office** shall reallocate any funds made available through
27 nonrenewal of a contract for resource and referral programs.

28 (3) Satisfactory contract performance by a resource and referral agency
29 shall be a condition for the renewal of that contract in the subsequent fiscal
30 year.

31 **SECTION 44.** ORS 657A.250 is amended to read:

1 657A.250. As used in ORS 657A.030 and 657A.250 to 657A.450, unless the
2 context requires otherwise:

3 (1) “Babysitter” means a person who goes into the home of a child to give
4 care during the temporary absence of the parent or legal guardian or custo-
5 dian.

6 (2) “Certification” means the certification that is issued under ORS
7 657A.280 by the Child Care [*Division*] **Office** to a family child care home,
8 child care center or other child care facility.

9 (3) “Child” means a child under 13 years of age or a child under 18 years
10 of age who has special needs or disabilities and requires a level of care that
11 is above normal for the child’s age.

12 (4) Subject to ORS 657A.440, “child care” means the care, supervision and
13 guidance on a regular basis of a child, unaccompanied by a parent, guardian
14 or custodian, provided to a child during a part of the 24 hours of the day,
15 in a place other than the child’s home, with or without compensation. “Child
16 care” does not include care provided:

17 (a) In the home of the child;

18 (b) By the child’s parent, guardian, or person acting in loco parentis;

19 (c) By a person related to the child by blood or marriage within the
20 fourth degree as determined by civil law;

21 (d) On an occasional basis by a person not ordinarily engaged in provid-
22 ing child care;

23 (e) By providers of medical services;

24 (f) By a babysitter;

25 (g) By a person who cares for children from only one family other than
26 the person’s own family;

27 (h) By a person who cares for no more than three children other than the
28 person’s own children; or

29 (i) By a person who is a member of the child’s extended family, as deter-
30 mined by the [*division*] **office** on a case-by-case basis.

31 (5) “Child care facility” means any facility that provides child care to

1 children, including a day nursery, nursery school, child care center, certified
2 or registered family child care home or similar unit operating under any
3 name, but not including any:

4 (a) Preschool recorded program.

5 (b) Facility providing care for school-age children that is primarily a
6 single enrichment activity, for eight hours or less a week.

7 (c) Facility providing care that is primarily group athletic or social ac-
8 tivities sponsored by or under the supervision of an organized club or hobby
9 group.

10 (d) Facility operated by:

11 (A) A school district as defined in ORS 332.002;

12 (B) A political subdivision of this state; or

13 (C) A governmental agency.

14 (e) Residential facility licensed under ORS 443.400 to 443.455.

15 (f) Babysitters.

16 (g) Facility operated as a parent cooperative for no more than four hours
17 a day.

18 (h) Facility providing care while the child's parent remains on the prem-
19 ises and is engaged in an activity offered by the facility or in other nonwork
20 activity.

21 (i) Facility operated as a school-age recorded program.

22 [(6) "Division" means the Child Care Division of the Employment Depart-
23 ment.]

24 [(7) (6) "Family" has the meaning given that term in ORS 329.145.

25 [(8) (7) "Occasional" means that care is provided for no more than 70
26 days in any calendar year.

27 [(9) (8) "Parent cooperative" means a child care program in which:

28 (a) Care is provided by parents on a rotating basis;

29 (b) Membership in the cooperative includes parents;

30 (c) There are written policies and procedures; and

31 (d) A board of directors that includes parents of the children cared for

1 by the cooperative controls the policies and procedures of the program.

2 [(10)] (9) "Preschool recorded program" means a facility providing care
3 for preschool children that is primarily educational for four hours or less
4 per day and where no child is present at the facility for more than four hours
5 per day.

6 [(11)] (10) "Record" means the record that is issued under ORS 657A.255
7 to a preschool recorded program or under ORS 657A.257 to a school-age re-
8 corded program.

9 [(12)] (11) "Registration" means the registration that is issued under ORS
10 657A.330 by the Child Care [Division] Office to a family child care home
11 where care is provided in the family living quarters of the provider's home.

12 [(13)] (12) "School age" means of an age eligible to be enrolled in the first
13 grade or above and, during the months of summer vacation from school,
14 means of an age eligible to be enrolled in first grade or above in the next
15 school year.

16 [(14)] (13) "School-age recorded program" means a program for school-age
17 children:

18 (a) That is not operated by a school district as defined in ORS 332.002;

19 (b) That is not required to be certified under ORS 657A.280 or registered
20 under ORS 657A.330; and

21 (c) In which youth development activities are provided to children during
22 hours that school is not in session and does not take the place of a parent's
23 care.

24 [(15)] (14) "Youth development activities" means care, supervision or
25 guidance that is intended for enrichment, including but not limited to
26 teaching skills or proficiency in physical, social or educational activities
27 such as tutoring, music lessons, social activities, sports and recreational ac-
28 tivities.

29 **SECTION 45.** ORS 657A.252 is amended to read:

30 657A.252. (1) Notwithstanding ORS 657A.250 (4), care provided to children
31 other than the children of the person providing the care by a person whose

1 enrollment in the Central Background Registry established by ORS 657A.030
2 has been denied for cause, has been revoked or is under suspension, or whose
3 certification or registration has been denied for cause, has been revoked or
4 is under suspension, or who has voluntarily surrendered the person's certifi-
5 cation or registration while under investigation by the Child Care
6 [Division] **Office**, is "child care" for purposes of ORS 657A.030 and 657A.250
7 to 657A.450.

8 (2) Notwithstanding ORS 657A.250 (5), a facility providing care for four
9 hours or less per day that is primarily educational to preschool children that
10 is operated by a person whose enrollment in the Central Background Regis-
11 try established by ORS 657A.030 has been denied for cause, has been revoked
12 or is under suspension, or whose certification or registration has been denied
13 for cause, has been revoked or is under suspension, or who has voluntarily
14 surrendered the person's certification or registration while under investi-
15 gation by the Child Care [Division] **Office**, is a "child care facility" for
16 purposes of ORS 657A.030 and 657A.250 to 657A.450.

17 **SECTION 46.** ORS 657A.255 is amended to read:

18 657A.255. (1) A person operating a preschool recorded program may not
19 operate the program without performing criminal background checks for all
20 staff and volunteers and becoming recorded with the [Child Care Division
21 of the Employment Department] **Child Care Office** as provided in this sec-
22 tion.

23 (2) To obtain recording, the person must apply to the [division] **office** by
24 submitting a completed record application form and a nonrefundable fee as
25 established by the [division] **office**. The [division] **office** shall determine and
26 apply the fee through rules adopted by the [division] **office** under ORS
27 657A.275. The [division] **office** shall deposit fees received under this sub-
28 section as provided in ORS 657A.310 (2).

29 (3) The [division] **office** shall issue a record to a person operating a pre-
30 school recorded program if the [division] **office** determines that the applicant
31 meets the requirements of ORS 657A.250 to 657A.450 and the rules adopted

1 pursuant to ORS 657A.250 to 657A.450 and subsection (9) of this section.

2 (4) Unless the record is revoked as provided in subsection (8) of this sec-
3 tion, the record is valid for a period of two years from the date of issuance.

4 (5) A record authorizes operation of the preschool recorded program only
5 on the premises described in the record and only by the person named in the
6 record.

7 (6) The [*division*] **office** shall create and maintain a database of preschool
8 recorded programs recorded under this section and shall update the database
9 annually. The database shall include, but need not be limited to, the follow-
10 ing information:

11 (a) Name and address of the program;

12 (b) Name of operator; and

13 (c) Significant program information, as determined by the [*division*] **office**
14 by rule.

15 (7) A preschool recorded program recorded under this section must post,
16 and provide parents with, a notice that the preschool recorded program is
17 not certified under ORS 657A.280 or registered under ORS 657A.330.

18 (8) An initial application or renewal application for recording of a pre-
19 school recorded program may be denied, revoked or suspended, if the [*divi-*
20 *sion*] **office** finds:

21 (a) That the program or its operation does not comply with ORS 657A.250
22 to 657A.450, with applicable rules and with any term or condition imposed
23 under the record; or

24 (b) That visitation, on-site investigation or inspection of a program or its
25 records authorized by ORS 657A.390 has not been permitted.

26 (9) The [*division*] **office** shall adopt any rules necessary to carry out the
27 provisions of this section.

28 (10) A person who violates any provision of this section or any term or
29 condition of a record is subject to a civil penalty not to exceed \$100.

30 **SECTION 47.** ORS 657A.257 is amended to read:

31 657A.257. (1) A person operating a school-age recorded program may not

1 operate the program without performing criminal background checks for all
2 staff and volunteers and becoming recorded with the [*Child Care Division*
3 of the *Employment Department*] **Child Care Office** as provided in this sec-
4 tion.

5 (2) To obtain recording, the person must apply to the [*division*] **office** by
6 submitting a completed record application form and a nonrefundable fee as
7 established by the [*division*] **office**. The [*division*] **office** shall determine and
8 apply the fee through rules adopted by the [*division*] **office** under ORS
9 657A.275. The [*division*] **office** shall deposit fees received under this sub-
10 section as provided in ORS 657A.310 (2).

11 (3) The [*division*] **office** shall issue a record to a person operating a
12 school-age recorded program if the [*division*] **office** determines that the ap-
13 plicant meets the requirements of ORS 657A.250 to 657A.450 and the rules
14 adopted pursuant to ORS 657A.250 to 657A.450 and subsection (9) of this
15 section.

16 (4) Unless the record is revoked as provided in subsection (8) of this sec-
17 tion, the record is valid for a period of two years from the date of issuance.

18 (5) A record authorizes operation of the school-age recorded program only
19 on the premises described in the record and only by the person named in the
20 record.

21 (6) The [*division*] **office** shall create and maintain a database of school-
22 age recorded programs recorded under this section and shall update the da-
23 tabase annually. The database shall include, but need not be limited to, the
24 following information:

25 (a) Name and address of the program;

26 (b) Name of operator; and

27 (c) Significant program information, as determined by the [*division*] **office**
28 by rule.

29 (7) A school-age recorded program recorded under this section must post,
30 and provide parents with, a notice that the school-age recorded program is
31 not certified under ORS 657A.280 or registered under ORS 657A.330.

1 (8) An initial application or renewal application for recording of a
2 school-age recorded program may be denied, revoked or suspended, if the
3 [*division*] **office** finds:

4 (a) That the program or its operation does not comply with ORS 657A.250
5 to 657A.450, with applicable rules and with any term or condition imposed
6 under the record; or

7 (b) That visitation, on-site investigation or inspection of a program or its
8 records authorized by ORS 657A.390 has not been permitted.

9 (9) The [*division*] **office** shall adopt any rules necessary to carry out the
10 provisions of this section.

11 (10) A person who violates any provision of this section or any term or
12 condition of a record is subject to a civil penalty not to exceed \$100.

13 **SECTION 48.** ORS 657A.260 is amended to read:

14 657A.260. (1) After consultation with appropriate agencies and interested
15 persons, the Child Care [*Division*] **Office** by rule shall establish minimum
16 standards for child care facilities and the operation thereof and for the ad-
17 ministration of ORS 657A.030 and 657A.250 to 657A.450.

18 (2) In establishing minimum standards of health and safety, the
19 [*division*] **office** shall consult with the Oregon Health Authority and the
20 State Fire Marshal and shall give consideration to their recommendations
21 and to all basic requirements for the protection of the children to receive
22 child care, including the criteria prescribed in ORS 657A.290, and may adopt
23 rules applicable to different categories of child care facilities, considering:

24 (a) The numbers and ages of the children to receive care in the child care
25 facility.

26 (b) The number, experience and training of the staff of the child care fa-
27 cility.

28 (c) The types and qualities of equipment and other factors in the physical
29 plant of the child care facility.

30 (d) Any other factor affecting the care provided in the child care facility.

31 **SECTION 49.** ORS 657A.263 is amended to read:

1 657A.263. (1) As used in this section:

2 (a) “Certified child care facility” means a child care facility that has been
3 certified under ORS 657A.280 by the [*Child Care Division of the Employment*
4 *Department*] **Child Care Office**.

5 (b) “Child care facility” has the meaning given that term in ORS 657A.250
6 (5).

7 (c) “Registered child care facility” means a child care facility that has
8 been registered under ORS 657A.330 by the [*Child Care Division of the Em-*
9 *ployment Department*] **Child Care Office**.

10 (2) Every certified child care facility and registered child care facility
11 shall:

12 (a) Adopt a plan to provide for the safety of children who are receiving
13 child care at a child care facility in the event of an emergency that requires
14 immediate action by the staff of the facility due to conditions of imminent
15 danger that pose a threat to the life, health or safety of children who are
16 receiving child care at the facility; and

17 (b) Provide training to all employees of the child care facility about the
18 responsibilities of the employees to implement the plan required by this
19 section.

20 (3) The [*Child Care Division of the Employment Department*] **Child Care**
21 **Office** shall adopt by rule the requirements for the plan and training re-
22 quired by this section. The rules adopted shall include, but are not limited
23 to, procedures for the evacuation of the children who are receiving child care
24 at the child care facility to a place of safety when the conditions of imminent
25 danger require relocation of those children.

26 **SECTION 50.** ORS 657A.270 is amended to read:

27 657A.270. (1) A certification or registration authorized by ORS 657A.030
28 and 657A.250 to 657A.450 and issued to a child care facility may be renewed
29 upon submission of an application and payment of the required fee not later
30 than 30 days prior to the expiration date of the current certification or reg-
31 istration if the [*Child Care Division of the Employment Department*] **Child**

1 **Care Office** finds that the child care facility that is seeking renewal of the
2 certification or registration is in compliance with the requirements of ORS
3 181.537, 657A.030 and 657A.250 to 657A.450 and the rules promulgated pursu-
4 ant to ORS 181.534, 181.537, 657A.030 and 657A.250 to 657A.450.

5 (2) Upon submission of an application for renewal in proper time, manner
6 and form, and payment of the required fee, the current certification or reg-
7 istration, unless officially revoked, shall remain in force until the Child Care
8 [Division] **Office** has acted on the application for renewal and has given
9 notice of the action taken.

10 **SECTION 51.** ORS 657A.275 is amended to read:

11 657A.275. (1) The [*Child Care Division of the Employment Department*]
12 **Child Care Office** shall adopt rules establishing fees for certification, reg-
13 istration and recording under ORS 657A.250 to 657A.450.

14 (2) Subject to prior approval of the Oregon Department of Administrative
15 Services and a report to the Legislative Assembly prior to adopting the fees
16 and charges, the fees and charges established under ORS 181.534, 657A.030
17 and 657A.250 to 657A.450 may not exceed the cost of administering the pro-
18 gram of the [*division*] **office** pertaining to the purpose for which the fee is
19 established, as authorized by the Legislative Assembly within the budget of
20 the [*division*] **office**.

21 (3) Notwithstanding subsection (2) of this section and any other provision
22 of this chapter, the following fees established by the [*division*] **office** under
23 ORS 657A.030 and 657A.250 to 657A.450 may not exceed:

- 24 (a) For Certified Family Child Care Home Initial Certification, \$25;
25 (b) For Certified Family Child Care Home Annual Fee Per Certified
26 Space, \$2;
27 (c) For Child Care Center Initial Certification, \$100;
28 (d) For Child Care Center Annual Fee Per Certified Space, \$2;
29 (e) For Registered Family Child Care Home Registration, \$30;
30 (f) For Preschool Recorded Program Recording, \$20;
31 (g) For School-Age Recorded Program Recording, \$20;

1 (h) For administering a class on child care abuse and neglect issues, \$10;
2 and

3 (i) For enrollment in the Central Background Registry, the cost of ad-
4 ministering the program, including fees for:

5 (A) Duplicate enrollment in the Central Background Registry;

6 (B) Law Enforcement Data System criminal records check; and

7 (C) Federal Bureau of Investigation fingerprint check.

8 **SECTION 52.** ORS 657A.280 is amended to read:

9 657A.280. (1) A person may not operate a child care facility, except a fa-
10 cility subject to the registration requirements of ORS 657A.330, without a
11 certification for the facility from the Child Care [Division] **Office**.

12 (2) The Child Care [Division] **Office** shall adopt rules for the certification
13 of a family child care home caring for not more than 16 children. The rules
14 shall be specifically adopted for the regulation of certified child care facili-
15 ties operated in a facility constructed as a single-family dwelling. Notwith-
16 standing fire and other safety regulations, the rules that the Child Care
17 [Division] **Office** adopts for certified child care facilities shall set standards
18 that can be met without significant architectural modification of a typical
19 home. In adopting the rules, the Child Care [Division] **Office** may consider
20 and set limits according to factors including the age of children in care, the
21 ambulatory ability of children in care, the number of the provider's children
22 present, the length of time a particular child is continuously cared for and
23 the total amount of time a particular child is cared for within a given unit
24 of time.

25 (3) In addition to rules adopted for and applied to a certified family child
26 care home providing child care for not more than 16 children, the Child Care
27 [Division] **Office** shall adopt and apply separate rules appropriate for any
28 child care facility that is a child care center.

29 (4) Any person seeking to operate a child care facility may apply for a
30 certification for the facility from the Child Care [Division] **Office** and re-
31 ceive a certification upon meeting certification requirements.

1 **SECTION 53.** ORS 657A.290 is amended to read:

2 657A.290. A person applying for a certification for a child care facility
3 shall demonstrate to the satisfaction of the Child Care [*Division*] **Office** that:

4 (1) The moral character and habits of the person will not endanger the
5 well-being of children for whom the person is to provide care.

6 (2) The attitude of the person toward children and understanding of their
7 needs qualify the person to care for children.

8 (3) The person is physically and mentally capable of caring for children.

9 (4) The facility and its operation are adequate to protect the health, the
10 safety and the physical, moral and mental well-being of the children to be
11 cared for in the facility, including but not limited to:

12 (a) Adequate staffing by suitable persons qualified by education or expe-
13 rience to meet their respective responsibilities in the care of children.

14 (b) Adequate physical facilities for the care of children, such as building
15 construction, sanitation, plumbing, heating, lighting, ventilation, mainte-
16 nance, indoor and outdoor activity areas and fire protection.

17 (c) A program of activities conforming to recognized practices in the
18 areas of child welfare, education and physical and mental health to provide
19 opportunity for development and recreation.

20 (d) Exclusion from the facility of individuals whose presence may be det-
21 rimental to the welfare of children, including exclusion of any individual
22 with a criminal record indicating conviction of any crime which would bar
23 the individual from operating or being employed in a child care facility un-
24 der ORS 657A.260.

25 **SECTION 54.** ORS 657A.300 is amended to read:

26 657A.300. (1) Upon receipt of an application for a certification, accompa-
27 nied by the required fee, the Child Care [*Division*] **Office** shall issue a cer-
28 tification if the [*division*] **office** finds that the child care facility and its
29 operations are in compliance with the requirements of ORS 181.537, 657A.030
30 and 657A.250 to 657A.450 and the rules promulgated pursuant to ORS 181.534,
31 181.537, 657A.030 and 657A.250 to 657A.450.

1 (2) The Child Care [Division] **Office** may issue a temporary certification,
2 subject to reasonable terms and conditions, for a period not longer than 180
3 days to a child care facility that does not comply with the requirements and
4 rules if the [division] **office** finds that the health and safety of any child will
5 not be endangered thereby. Not more than one temporary certification shall
6 be issued for the same child care facility in any 12-month period.

7 (3) The Child Care [Division] **Office** shall serve as the state agency au-
8 thorized, upon request, to certify compliance with applicable federal child
9 care standards or requirements by any facility providing child care in the
10 state.

11 **SECTION 55.** ORS 657A.310, as amended by section 119, chapter 37,
12 Oregon Laws 2012, is amended to read:

13 657A.310. (1) Application for a certification or for the annual renewal
14 thereof shall be made to the Child Care [Division] **Office** on forms provided
15 by the [division] **office** and accompanied by a nonrefundable fee. The fee
16 shall vary according to the type of facility and the number of children for
17 which the facility is requesting to be certified, and shall be determined and
18 applied through rules adopted by the [division] **office** pursuant to ORS
19 657A.275.

20 (2) All fees received under subsection (1) of this section shall be deposited
21 in the Child Care Fund established under ORS 657A.010 (4) and may be used
22 for the administration of ORS 181.537, 657A.030 and 657A.250 to 657A.450.

23 (3) Any certification issued pursuant to ORS 657A.030 and 657A.250 to
24 657A.450 authorizes operation of the facility only on the premises described
25 in the certification and only by the person named in the certification.

26 (4) Unless sooner revoked, a temporary certification expires on the date
27 specified therein. Unless sooner revoked and except as provided in ORS
28 657A.270 (2), an annual certification expires one year from the date of issu-
29 ance.

30 **SECTION 56.** ORS 657A.330 is amended to read:

31 657A.330. (1) A provider operating a family child care home where care

1 is provided in the family living quarters of the provider's home that is not
2 subject to the certification requirements of ORS 657A.280 may not operate
3 a child care facility without registering with the [*Child Care Division of the*
4 *Employment Department*] **Child Care Office**.

5 (2) A child care facility holding a registration may care for a maximum
6 of 10 children, including the provider's own children. Of the 10 children:

7 (a) No more than six may be younger than school age; and

8 (b) No more than two may be 24 months of age or younger.

9 (3)(a) To obtain a registration, a provider must apply to the Child Care
10 [*Division*] **Office** by submitting a completed application work sheet and a
11 nonrefundable fee. The fee shall vary according to the number of children for
12 which the facility is requesting to be registered, and shall be determined and
13 applied through rules adopted by the [*division*] **office** under ORS 657A.275.
14 The fee shall be deposited as provided in ORS 657A.310 (2). The [*division*]
15 **office** may waive any or all of the fee if the [*division*] **office** determines that
16 imposition of the fee would impose a hardship on the provider.

17 (b) Upon receipt of an initial or renewal application satisfactory to the
18 [*division*] **office**, the [*division*] **office** shall conduct an on-site review of the
19 child care facility under this section. The on-site review shall be conducted
20 within 30 days of the receipt of a satisfactory application.

21 (4) The [*division*] **office** shall issue a registration to a provider operating
22 a family child care home if:

23 (a) The provider has completed a child care overview class administered
24 by the [*division*] **office**;

25 (b) The provider has completed two hours of training on child abuse and
26 neglect issues;

27 (c) The provider is currently certified in infant and child first aid and
28 cardiopulmonary resuscitation;

29 (d) The provider is certified as a food handler under ORS 624.570; and

30 (e) The [*division*] **office** determines that the application meets the re-
31 quirements of ORS 181.537, 657A.030 and 657A.250 to 657A.450 and the rules

1 promulgated pursuant to ORS 181.534, 181.537, 657A.030 and 657A.250 to
2 657A.450, and receives a satisfactory records check, including criminal re-
3 cords and protective services records.

4 (5) Unless the registration is revoked as provided in ORS 657A.350, the
5 registration is valid for a period of two years from the date of issuance. The
6 [division] **office** may renew a registration of a provider operating a family
7 child care home if the provider:

8 (a) Is currently certified in infant and child first aid and cardiopulmonary
9 resuscitation;

10 (b) Has completed a minimum of eight hours of training related to child
11 care during the most recent registration period; and

12 (c) Is certified as a food handler under ORS 624.570.

13 (6) A registration authorizes operation of the facility only on the premises
14 described in the registration and only by the person named in the registra-
15 tion.

16 (7) The [division] **office** shall adopt rules:

17 (a) Creating the application work sheet required under subsection (3) of
18 this section;

19 (b) Defining full-time and part-time care;

20 (c) Establishing under what circumstances the adult to child ratio re-
21 quirements may be temporarily waived; and

22 (d) Establishing health and safety procedures and standards on:

23 (A) The number and type of toilets and sinks available to children;

24 (B) Availability of steps or blocks for use by children;

25 (C) Room temperature;

26 (D) Lighting of rooms occupied by children;

27 (E) Glass panels on doors;

28 (F) Condition of floors;

29 (G) Availability of emergency telephone numbers; and

30 (H) Smoking.

31 (8) The [division] **office** shall adopt the application work sheet required

1 by subsection (3) of this section. The work sheet must include, but need not
2 be limited to, the following:

3 (a) The number and ages of the children to be cared for at the facility;
4 and

5 (b) The health and safety procedures in place and followed at the facility.

6 (9) The [division] **office**, upon good cause shown, may waive one or more
7 of the registration requirements. The [division] **office** may waive a require-
8 ment only if appropriate conditions or safeguards are imposed to protect the
9 welfare of the children and the consumer interests of the parents of the
10 children. The [division] **office** may not waive the on-site review requirement
11 for applicants applying for an initial registration or renewal of a registra-
12 tion.

13 (10) The [division] **office**, by rule, shall develop a list of recommended
14 standards consistent with standards established by professional organizations
15 regarding child care programs for child care facilities. Compliance with the
16 standards is not required for a registration, but the [division] **office** shall
17 encourage voluntary compliance and shall provide technical assistance to a
18 child care facility attempting to comply with the standards. The child care
19 facility shall distribute the list of recommended minimum standards to the
20 parents of all children cared for at the facility.

21 (11) In adopting rules relating to registration, the [division] **office** shall
22 consult with the appropriate legislative committee in developing the rules
23 to be adopted. If the rules are being adopted during a period when the Leg-
24 islative Assembly is not in session, the [division] **office** shall consult with
25 the appropriate interim legislative committee.

26 **SECTION 57.** ORS 657A.350 is amended to read:

27 657A.350. An initial application from a child care facility for certification
28 or registration or a renewal application from a child care facility for certifi-
29 cation or registration may be denied, or a temporary or regular certification
30 or regular registration may be revoked or suspended, if the [*Child Care Di-*
31 *vision of the Employment Department*] **Child Care Office** finds:

1 (1) That the facility or its operation does not comply with ORS 181.537,
2 657A.030 and 657A.250 to 657A.450 or with applicable rules or with any term
3 or condition imposed under the certification or registration; or

4 (2) That visitation, on-site review or inspection of a facility or its records
5 authorized by ORS 657A.390 or 657A.400 has not been permitted.

6 **SECTION 58.** ORS 657A.360 is amended to read:

7 657A.360. (1) Upon deciding to deny, revoke, suspend or not to renew a
8 certification or registration, the [*Child Care Division of the Employment*
9 *Department*] **Child Care Office** shall give notice and opportunity for hearing
10 as provided in ORS chapter 183.

11 (2) The Child Care [*Division*] **Office** shall make the final decision and
12 notice thereof shall be sent by certified mail to the address of the child care
13 facility as shown on the records of the [*division*] **office**. The decision of the
14 [*division*] **office** is reviewable by the Court of Appeals in the manner pro-
15 vided in ORS 183.480 for the review of orders in contested cases.

16 **SECTION 59.** ORS 657A.370 is amended to read:

17 657A.370. Without the necessity of prior administrative proceedings or
18 hearing and entry of an order or at any time during such proceedings if they
19 have been commenced, the Child Care [*Division*] **Office** may institute pro-
20 ceedings to enjoin the operation of any child care facility operating in vio-
21 lation of ORS 181.537, 657A.030 and 657A.250 to 657A.450 or the rules
22 promulgated pursuant to ORS 181.534, 181.537, 657A.030 and 657A.250 to
23 657A.450.

24 **SECTION 60.** ORS 657A.390 is amended to read:

25 657A.390. (1) Whenever an authorized representative of the Child Care
26 [*Division*] **Office** is advised or has reason to believe that child care that is
27 subject to regulation by the [*division*] **office** is being provided without a
28 certification, registration or record, the authorized representative may visit
29 and conduct an on-site investigation of the premises of the facility at any
30 reasonable time to determine whether the facility is subject to the require-
31 ments of ORS 181.537, 657A.030 and 657A.250 to 657A.450.

1 (2) At any reasonable time, an authorized representative of the Child Care
 2 [Division] **Office** may conduct an on-site investigation of the premises of any
 3 certified or registered child care facility to determine whether the child care
 4 facility is in conformity with ORS 181.537, 657A.030 and 657A.250 to 657A.450
 5 and the rules promulgated pursuant to ORS 181.534, 181.537, 657A.030 and
 6 657A.250 to 657A.450.

7 (3) An authorized representative of the Child Care [Division] **Office** shall
 8 conduct an on-site investigation of the premises of any certified or registered
 9 child care facility or of any other child care facility that is subject to regu-
 10 lation by the [division] **office** if the [division] **office** receives a serious
 11 complaint about the child care facility. The [division] **office**, by rule, shall
 12 adopt a definition for “serious complaint.”

13 (4) Any state agency that receives a complaint about a certified or regis-
 14 tered child care facility, a preschool recorded program or a school-age re-
 15 corded program shall notify the Child Care [Division] **Office** about the
 16 complaint and any subsequent action taken by the state agency based on that
 17 complaint.

18 (5) The director and operator of a child care facility, a preschool recorded
 19 program or a school-age recorded program shall permit an authorized repre-
 20 sentative of the [division] **office** to inspect records of the facility or program
 21 and shall furnish promptly reports and information required by the
 22 [division] **office**.

23 **SECTION 61.** ORS 657A.400 is amended to read:

24 657A.400. (1) An authorized representative of the Oregon Health Author-
 25 ity may inspect the premises of a child care facility certified under ORS
 26 657A.280 to determine whether the facility is in conformity with applicable
 27 laws and regulations relating to health and sanitation.

28 (2) An authorized representative of the authority shall inspect any child
 29 care facility when requested to do so by the Child Care [Division] **Office** in
 30 accordance with arrangements under ORS 657A.420 and shall submit written
 31 findings to the Child Care [Division] **Office**. The Child Care [Division] **Of-**

1 **fic**e shall not issue or renew any certification for any child care facility for
2 which an inspection by the authority has been requested unless an author-
3 ized representative of the authority submits a written finding that the facil-
4 ity is in compliance with applicable laws and regulations relating to health
5 and sanitation.

6 (3) An environmental health specialist's inspection may be performed by
7 a private consultant so long as the consultant is registered under ORS
8 chapter 700.

9 **SECTION 62.** ORS 657A.410 is amended to read:

10 657A.410. (1) In the event that any authorized representative of the Child
11 Care [*Division*] **Office**, Oregon Health Authority or other agency is denied
12 access to any premises for the purpose of making an inspection in the ad-
13 ministration of ORS 181.537, 657A.030 and 657A.250 to 657A.450, the repre-
14 sentative shall not inspect the premises without a search warrant.

15 (2) Application for a search warrant to inspect the premises shall be made
16 to any magistrate authorized to issue a warrant of arrest. The application
17 must be supported by an affidavit filed with the magistrate showing probable
18 cause for the inspection by stating the purpose and extent of the proposed
19 inspection, the statutes and rules which provide the basis for inspection,
20 whether it is a routine or periodic inspection, an on-site review or an in-
21 vestigation instituted by complaint and other specific or general information
22 concerning the premises.

23 (3) If the magistrate is satisfied that there is probable cause to believe
24 that the grounds of the application exist, the magistrate shall issue the
25 search warrant specifying the purpose and extent of the inspection, on-site
26 review or investigation of the premises covered by the warrant.

27 **SECTION 63.** ORS 657A.420 is amended to read:

28 657A.420. The Child Care [*Division*] **Office** may enter into cooperative
29 arrangements with the Oregon Health Authority, the State Fire Marshal and
30 other public agencies for the provision of services in the inspection of child
31 care facilities in the administration of ORS 181.537, 657A.030 and 657A.250

1 to 657A.450. The arrangements shall designate which services shall be re-
2 imbursed and the rate and manner of reimbursement.

3 **SECTION 64.** ORS 657A.450 is amended to read:

4 657A.450. The Child Care [*Division*] **Office** may consult with, advise or
5 train the staffs of child care facilities or other interested persons concerning
6 child care programs.

7 **SECTION 65.** ORS 657A.490, as amended by section 67, chapter 37,
8 Oregon Laws 2012, is amended to read:

9 657A.490. If the Department of Education is able to find adequate funding
10 under ORS 657A.493, the department, in partnership with organizations in-
11 cluding, but not limited to, the Institute on Violence and Destructive Be-
12 havior at the University of Oregon, the [*Child Care Division of the*
13 *Employment Department*] **Child Care Office**, the Early Learning Council, the
14 Youth Development Council and the Oregon Center for Career Development
15 in Childhood Care and Education:

16 (1) Shall establish, in coordination with existing training systems, a
17 statewide child care provider training program that will educate child care
18 providers on:

19 (a) The importance of healthy brain development in the first three years
20 of a child's life.

21 (b) The identification of risk factors and behaviors that indicate that a
22 child:

23 (A) Needs special education or mental health treatment; or

24 (B) Is at risk of becoming involved in the criminal justice system.

25 (c) Appropriate referrals for intervention for the behaviors identified un-
26 der paragraph (b) of this subsection.

27 (2) Shall establish an application process for child care providers who
28 wish to attend the program and may charge child care providers a fee for
29 attending the program.

30 (3) May adopt any rules necessary to implement this section.

31 **SECTION 66.** ORS 657A.700, as amended by section 120, chapter 37,

1 Oregon Laws 2012, is amended to read:

2 657A.700. As used in ORS 657A.700 to 657A.718:

3 (1) "Child care provider" means a provider, for compensation, of care,
4 supervision or guidance to a child on a regular basis in a center or in a home
5 other than the child's home. "Child care provider" does not include a person
6 who is the child's parent, guardian or custodian.

7 (2) "Community agency" means a nonprofit agency that:

8 (a) Provides services related to child care, children and families, commu-
9 nity development or similar services; and

10 (b) Is eligible to receive contributions that qualify as deductions under
11 section 170 of the Internal Revenue Code.

12 (3) "High quality child care" means child care that meets standards for
13 high quality child care established or approved by the Early Learning
14 Council.

15 (4) "Qualified contribution" means a contribution made by a taxpayer to
16 the [*Child Care Division of the Employment Department*] **Child Care Office**
17 or a selected community agency for the purpose of promoting child care, and
18 for which the taxpayer will receive a tax credit certificate under ORS
19 657A.706.

20 (5) "Tax credit certificate" means a certificate issued by the Child Care
21 [*Division*] **Office** to a taxpayer to qualify the taxpayer for a tax credit under
22 ORS 315.213.

23 (6) "Tax credit marketer" means an individual or entity selected by the
24 Child Care [*Division*] **Office** to market tax credits to taxpayers.

25 **SECTION 67.** ORS 657A.703 is amended to read:

26 657A.703. (1) The [*Child Care Division of the Employment Department*]
27 **Child Care Office**, in collaboration with an advisory committee established
28 by the [*Child Care Division*] **office**, shall establish a program to:

29 (a) Allocate tax credit certificates to taxpayers that make qualified con-
30 tributions to the Child Care [*Division*] **Office**; and

31 (b) Distribute to child care providers moneys from qualified contributions

1 and other contributions.

2 (2) The purposes of the program are to:

3 (a) Encourage taxpayers to make contributions to the Child Care [*Divi-*
4 *sion*] **Office** by providing a financial return on qualified contributions and
5 by soliciting other contributions.

6 (b) Achieve specific and measurable goals for targeted communities and
7 populations.

8 (c) Set standards for the child care industry concerning the cost of pro-
9 viding quality, affordable child care.

10 (d) Strengthen the viability and continuity of child care providers while
11 making child care more affordable for low and moderate income families.

12 **SECTION 68.** ORS 657A.706 is amended to read:

13 657A.706. (1) For the purpose of implementing the program established
14 under ORS 657A.703, the [*Child Care Division of the Employment*
15 *Department*] **Child Care Office**, in collaboration with an advisory committee
16 established by the [*Child Care Division*] **office**, shall:

17 (a) Adopt rules.

18 (b) Select a tax credit marketer who agrees to market tax credits to tax-
19 payers.

20 (c) Identify child care goals that are consistent with the purposes pro-
21 vided in ORS 657A.703 (2). The goals identified under this paragraph shall
22 take into account state resources and needs.

23 (d) Develop by rule the application process an entity must complete to
24 be designated as a community agency under ORS 657A.700 to 657A.718, and
25 any process for the renewal of that designation.

26 (e) Select one or more community agencies.

27 (f) Enter into an agreement with each selected community agency to
28 perform the functions specified in ORS 657A.715.

29 (g) Determine the total value of moneys to be available to each selected
30 community agency to distribute to providers based on goals identified under
31 paragraph (c) of this subsection, and distribute those moneys in the manner

1 provided in ORS 657A.712 to the selected community agencies. The total
2 value of moneys available to all selected community agencies in this state
3 may not exceed the amount of contributions received from taxpayers during
4 the tax year minus any reasonable administrative costs incurred by the Child
5 Care *[Division]* **Office** and the selected community agencies.

6 (2) The Child Care *[Division]* **Office** may adopt rules that establish a
7 fixed percentage that is less than 100 percent by which the amount contrib-
8 uted by a taxpayer will be certified for a tax credit by the *[division]* **office**.
9 The purpose of the grant of rulemaking authority under this subsection is
10 to permit the *[division]* **office** to calibrate the amount of the tax credit to
11 interpretations of the deductibility of qualified contributions under section
12 170 of the Internal Revenue Code for federal tax purposes.

13 (3)(a) The Child Care *[Division]* **Office** shall issue tax credit certificates
14 in the chronological order in which the contributions are received by the
15 *[division]* **office**. The *[division]* **office** shall issue tax credit certificates to
16 contributors until the total value of all certificates issued by the *[division]*
17 **office** for the calendar year equals \$500,000. Each issued certificate shall
18 state the value of the contribution being certified as eligible for the tax
19 credit allowed under ORS 315.213. Except as provided in rules adopted under
20 subsection (2) of this section, the certified value shall equal the amount of
21 the contribution.

22 (b) The Child Care *[Division]* **Office** may not issue a tax credit certificate
23 to a taxpayer to the extent the credit value to be certified, when added to
24 the total credit value previously certified by the *[Child Care Division]* **office**
25 under paragraph (a) of this subsection for the calendar year exceeds \$500,000.

26 (c) The Child Care *[Division]* **Office** shall send a copy of all tax credit
27 certificates issued under this section to the Department of Revenue.

28 (d) Qualified contributions shall be deposited in the Child Care Fund.

29 (4) A taxpayer that receives a notice of denial of a tax credit certificate
30 or that receives a tax credit certificate issued for an amount that is less than
31 the amount contributed may request a refund for the amount contributed

1 within 90 days of the [*Child Care Division's*] **Child Care Office's** denial or
2 issuance of the certificate. The Child Care [*Division*] **Office** must send notice
3 of a denial or changed amount and refund the amount for which a tax credit
4 will not be granted within 30 days after receiving the request. The refund
5 shall be made from the Child Care Fund.

6 (5) The Child Care [*Division*] **Office** may establish by rule any other
7 provisions required to implement the program established under ORS
8 657A.700 to 657A.718.

9 **SECTION 69.** ORS 657A.709 is amended to read:

10 657A.709. (1) In selecting a community agency under ORS 657A.706, the
11 [*Child Care Division of the Employment Department*] **Child Care Office** shall
12 consider:

13 (a) A prospective agency's financial soundness, net worth, cash flow and
14 accounting capacity to manage the tax credit program;

15 (b) A prospective agency's demonstrated ability to serve low and moderate
16 income families;

17 (c) The degree to which the governing board of the prospective agency is
18 representative of the community in which the agency is located, has a low
19 turnover rate of board members, has experience with financial matters and
20 has a demonstrated history of collaboration with other community agencies;
21 and

22 (d) The experience and expertise of the executive or managing officer and
23 staff of the prospective agency in child care business management and small
24 business development.

25 (2) The [*division*] **office** shall select the community agency that, in the
26 judgment of the [*division*] **office** and based on the criteria set forth in sub-
27 section (1) of this section, will best serve the interests of the community for
28 which it is selected.

29 **SECTION 70.** ORS 657A.712 is amended to read:

30 657A.712. (1) The [*Child Care Division of the Employment Department*]
31 **Child Care Office** shall distribute revenues in the Child Care Fund that are

1 derived from contributions, minus the amounts needed to make refunds under
2 ORS 657A.706 (4) and to cover expenses of the Child Care [*Division*] **Office**
3 in administering ORS 657A.700 to 657A.718.

4 (2) Distributions shall be made to community agencies selected under ORS
5 657A.706 in the proportion that the Child Care [*Division*] **Office** determines
6 best promotes the provision of child care in this state.

7 (3) Moneys distributed to selected community agencies shall be disbursed
8 to child care providers, consistent with rules adopted by the Child Care
9 [*Division*] **Office** relating to the disbursement of moneys by selected com-
10 munity agencies. The Child Care [*Division*] **Office** shall consider the factors
11 described in ORS 657A.715 (2)(h) when adopting rules under this subsection.

12 **SECTION 71.** ORS 657A.715 is amended to read:

13 657A.715. (1) Each community agency selected under ORS 657A.706 shall
14 disburse moneys to child care providers, pursuant to ORS 657A.712 and rules
15 adopted thereunder.

16 (2) A selected community agency must:

17 (a) Coordinate an application process by which persons may apply to be
18 participating providers;

19 (b) Enter into agreements with participating providers under which the
20 duties and responsibilities of participating providers and the community
21 agency are stated;

22 (c) Provide or coordinate required training for participating providers;

23 (d) Monitor participating providers, through visits to providers and oth-
24 erwise;

25 (e) Oversee the process by which a participating provider verifies the in-
26 come of a family and establishes the total child care fee charged to a family;

27 (f) Report on participating provider compliance with ORS 657A.718 and
28 other applicable requirements to contributors and the [*Child Care Division*
29 *of the Employment Department*] **Child Care Office**;

30 (g) Establish a maximum family income level for the region for purposes
31 of the child care fee limitation to which participating providers are subject

1 under ORS 657A.718 (1)(g); and

2 (h) Determine, consistently with rules adopted by the Child Care
3 [Division] **Office**, the amount of moneys to be disbursed to a participating
4 provider based on the incomes of the families the provider serves, the child
5 care fees the provider charges and the actual cost to the provider of provid-
6 ing quality, affordable child care.

7 (3)(a) A selected community agency must distribute to participating child
8 care providers all moneys that are available to the agency as a result of the
9 determination made by the Child Care [Division] **Office** under ORS 657A.706
10 (1)(g). Each selected community agency shall distribute a substantial portion
11 of the moneys to participating child care providers that are home-based
12 businesses.

13 (b) Distributions shall be based on the actual costs of providing quality,
14 affordable child care in the community for which distributions are being
15 made, including training costs, operating costs and wages.

16 (4) For the purpose of making distributions to child care providers, a se-
17 lected community agency shall identify child care providers in the commu-
18 nity that meet the requirements of ORS 657A.718. The selected community
19 agency may develop a process through which child care providers apply to
20 receive distributions of moneys from contributions made by taxpayers.

21 **SECTION 72.** ORS 657A.718 is amended to read:

22 657A.718. (1) Each selected community agency shall select participating
23 child care providers that meet the following requirements:

24 (a) If a home-based business, the provider must enter into an agreement
25 with the community agency to continue to provide child care services for at
26 least an additional two years.

27 (b) If a home-based business, the provider must serve at least two families
28 that have incomes that are 85 percent or less of the median income for the
29 region. If a center, at least 25 percent of the families the provider serves
30 must have incomes that are 85 percent or less of the median income for the
31 region.

1 (c) The provider must accept children for whom child care is paid for
2 through a Department of Human Services subsidy.

3 (d) The provider and the employees of the provider must provide high
4 quality child care.

5 (e) The provider, if the provider is an individual, and the employees of the
6 provider must comply with Child Care [*Division*] **Office** rules and require-
7 ments for registration or certification.

8 (f) The provider must maintain adequate liability insurance, financial re-
9 cords and parent policies and contracts, and permit the selected community
10 agency to conduct visits.

11 (g) For care provided to children of families whose income does not ex-
12 ceed the level established by the selected community agency under ORS
13 657A.715 (2)(g), the provider must agree to limit the total child care fees
14 charged to a family to a percentage established by the Child Care
15 [*Division*] **Office** by rule.

16 (2) In selecting participating child care providers, selected community
17 agencies must give preference to providers that provide child care to low and
18 moderate income families.

19 **SECTION 73.** ORS 657A.992, as amended by section 121, chapter 37,
20 Oregon Laws 2012, is amended to read:

21 657A.992. (1) In addition to any other provision of law or rule adopted
22 pursuant to ORS 657A.260 for enforcement of the provisions of ORS chapter
23 657A, the Child Care [*Division*] **Office** may suspend or revoke a certification
24 or registration issued under ORS 657A.030 and 657A.250 to 657A.450, or im-
25 pose a civil penalty in the manner provided in ORS 183.745, for violation of:

26 (a) Any of the provisions of ORS 657A.030 and 657A.250 to 657A.450;

27 (b) The terms and conditions of a certification or registration issued un-
28 der ORS 657A.030 and 657A.250 to 657A.450; or

29 (c) Any rule of the [*division*] **office** adopted under ORS 657A.030 and
30 657A.250 to 657A.450.

31 (2) The [*division*] **office** shall adopt by rule a schedule establishing the

1 civil penalties that may be imposed under this section. The schedule must
2 provide for categories of violations for which a penalty may be imposed, in-
3 cluding “nonserious” and “serious” to be defined by the [division] **office** by
4 rule under ORS 657A.260.

5 (3) The [division] **office** must issue a written warning for a nonserious
6 or serious violation before assessing a civil penalty under this section. The
7 written warning must prescribe a reasonable time in which to correct a vi-
8 olation.

9 (4) The [division] **office** may not impose a civil penalty of more than \$100
10 for a first violation.

11 (5) The [division] **office** may not impose a civil penalty for a subsequent
12 violation that exceeds the penalty imposed for the previous violation by more
13 than \$100. Penalties imposed under this subsection may not exceed \$500 per
14 violation, or \$1,000 total for multiple violations per quarter.

15 (6) Notwithstanding any other provision of this section, the maximum
16 civil penalty that may be imposed:

17 (a) For violation of ORS 657A.330 by a registered family child care home
18 provider is \$100.

19 (b) For violation of ORS 657A.280 by an operator of a child care facility
20 that is not a child care center is \$200.

21 (c) For violation of ORS 657A.280 by an operator of a child care facility
22 that is a child care center is \$500.

23 (7) A civil penalty imposed under this section may be remitted or reduced
24 upon such terms and conditions as the [division] **office** considers proper and
25 consistent with the public health and safety.

26 (8) All moneys received under this section shall be deposited in the Child
27 Care Fund established under ORS 657A.010 (4) and may be used for the ad-
28 ministration of ORS 181.537, 657A.030 and 657A.250 to 657A.450.

29 **SECTION 74.** ORS 307.145 is amended to read:

30 307.145. (1) If not otherwise exempt by law, upon compliance with ORS
31 307.162, the child care facilities, schools, academies and student housing ac-

1 accommodations, owned or being purchased by incorporated eleemosynary in-
2 stitutions or by incorporated religious organizations, used exclusively by
3 such institutions or organizations for or in immediate connection with edu-
4 cational purposes, are exempt from taxation.

5 (2) Property described in subsection (1) of this section which is exclu-
6 sively for or in the immediate connection with educational purposes shall
7 continue to be exempt when leased to a political subdivision of the State of
8 Oregon, or to another incorporated eleemosynary institution or incorporated
9 religious organization for an amount not to exceed the cost of repairs,
10 maintenance and upkeep.

11 (3)(a) As used in this section, "child care facility" means a child care
12 center certified by the [*Child Care Division of the Employment Department*]
13 **Child Care Office** under ORS 657A.280 to provide educational child care.

14 (b) Before an exemption for a child care facility is allowed under this
15 section, in addition to any other information required under ORS 307.162, the
16 statement shall:

17 (A) Describe the property and declare or be accompanied by proof that the
18 corporation is an eleemosynary institution or religious organization.

19 (B) Declare or be accompanied by proof that the [*division*] **office** has is-
20 sued the child care facility a certification to provide educational child care.

21 (C) Be signed by the taxpayer subject to the penalties for false swearing.

22 **SECTION 75.** ORS 307.490 is amended to read:

23 307.490. (1) In lieu of real and personal property taxes, each nonprofit
24 corporation eligible for a tax exemption under ORS 307.485 shall pay to the
25 treasurer of the county on or before November 15 an amount equal to 10
26 percent of the rentals for the period ending the preceding October 15, sub-
27 mitting with the remittance a form supplied by the Department of Revenue
28 stating the rental and certifying compliance with the requirements of the
29 State Fire Marshal, **the** local health officer or [*Child Care Division*] **the**
30 **Child Care Office**, as applicable.

31 (2) The treasurer shall, with the assistance of the assessor, allocate the

1 money received by the treasurer under subsection (1) of this section, to the
2 districts in which the exempt property is located in the same proportion that
3 the tax rate for the current tax year for each district bears to the total tax
4 rate for all districts.

5 (3) The moneys received by the district shall be considered as a budget
6 resource for the next ensuing fiscal year.

7 **SECTION 76.** ORS 307.500 is amended to read:

8 307.500. (1) Immediately upon receipt of the claim or any subsequent
9 rental statement, the county assessor shall promptly transmit one copy of the
10 claim to the Department of Revenue. The rent subsequently reported for the
11 eligible child care facility or eligible farm labor camp for which the claim
12 is made is subject to verification and modification by the Department of
13 Revenue.

14 (2) The county assessor shall promptly transmit one copy of each claim
15 or statement for exemption to the State Fire Marshal for verification of
16 compliance with applicable laws and rules and regulations relating to safety
17 from fire. If the State Fire Marshal refuses such verification, the county
18 assessor shall deny the claim and cause the nonprofit corporation to be billed
19 for the real and personal property taxes it would otherwise be liable to pay.

20 (3) The county assessor shall promptly transmit one copy of each claim
21 or statement for exemption of an eligible farm labor camp to the appropriate
22 authority under the Oregon Safe Employment Act for verification of com-
23 pliance with the health code for farm labor camps. That authority shall re-
24 fuse to verify compliance if the farm labor camp does not comply with the
25 health code applicable to it or if access to the camp for inspection has been
26 denied the county assessor or the authorized representative of the county
27 assessor. If verification is refused, the county assessor shall deny the claim
28 and cause the nonprofit corporation to be billed for the real and personal
29 property taxes it would otherwise be liable to pay.

30 (4) If the claim or statement or any part thereof applies to property used
31 for an eligible child care facility, the county assessor shall promptly transmit

1 a copy to the Child Care [*Division*] **Office** for verification of certification.
2 If the [*division*] **office** refuses such verification, the county assessor shall
3 deny the claim and cause the nonprofit corporation to be billed for the real
4 and personal property taxes it would otherwise be liable to pay.

5 **SECTION 77.** ORS 315.204 is amended to read:

6 315.204. (1) A credit against the taxes otherwise due under ORS chapter
7 316 (or, if the taxpayer is a corporation, under ORS chapter 317 or 318) shall
8 be allowed to a resident employer or to a corporation that is an employer for
9 amounts paid or incurred during the taxable year by the employer for de-
10 pendent care assistance actually provided to an employee if the assistance
11 is furnished pursuant to a program which meets the requirements of section
12 129(d) of the Internal Revenue Code and if the employer has received a cer-
13 tificate as provided in subsection (2) of this section.

14 (2)(a) Each employer that elects to receive a credit allowed under sub-
15 section (1) of this section must submit an application to the [*Child Care*
16 *Division of the Employment Department*] **Child Care Office** each year the
17 employer wishes to receive the credit. The Child Care [*Division*] **Office** shall
18 prescribe by rule the form of the application and the information required
19 to be given on the application.

20 (b) The Child Care [*Division*] **Office** shall issue a certificate to each em-
21 ployer that submits an application under this subsection.

22 (3) The amount of the credit allowed under subsection (1) of this section
23 shall be 50 percent of the amount so paid or incurred by the employer during
24 the taxable year but shall not exceed \$2,500 of dependent care assistance
25 actually provided to the employee.

26 (4)(a) A credit against the taxes otherwise due under ORS chapter 316 (or,
27 if the taxpayer is a corporation, under ORS chapter 317 or 318) shall be al-
28 lowed to a resident employer, or to a corporation that is an employer, based
29 upon amounts paid or incurred by the employer during the taxable year to
30 provide information and referral services to assist employees of the employer
31 employed within this state to obtain dependent care.

1 (b) The amount of the credit allowed under this subsection shall be 50
2 percent of the amounts paid or incurred during the taxable year.

3 (5) No amount paid or incurred during the taxable year of an employer
4 in providing dependent care assistance to any employee shall qualify for the
5 credit allowed under subsection (1) of this section if the amount was paid
6 or incurred to an individual described in section 129(c)(1) or (2) of the
7 Internal Revenue Code.

8 (6) No amount paid or incurred by an employer to provide dependent care
9 assistance to an employee shall qualify for the credit allowed under sub-
10 section (1) of this section if the amount paid or incurred is paid or incurred
11 pursuant to a salary reduction plan or is not paid or incurred for services
12 performed within this state.

13 (7) If the credit allowed under subsection (1) or (4) of this section is
14 claimed, the amount of any deduction allowed or allowable under ORS
15 chapter 316, 317 or 318 for the amount that qualifies for the credit (or upon
16 which the credit is based) shall be reduced by the dollar amount of the credit
17 allowed. The election to claim a credit allowed under this section shall be
18 made at the time of filing the tax return in accordance with any rules
19 adopted by the Department of Revenue.

20 (8) The amount upon which the credit allowed under subsection (1) of this
21 section is based shall not be included in the gross income of the employee
22 to whom the dependent care assistance is provided. However, the amount
23 excluded from the income of an employee under this section shall not exceed
24 the limitations provided in section 129(b) of the Internal Revenue Code. For
25 purposes of ORS 316.162, with respect to an employee to whom dependent
26 care assistance is provided, "wages" does not include any amount excluded
27 under this subsection. Amounts excluded under this subsection shall not
28 qualify as expenses for which a credit is allowed to the employee under ORS
29 316.078.

30 (9) A nonresident shall be allowed the credit allowed under subsection (1)
31 or (4) of this section. The credit shall be computed in the same manner and

1 be subject to the same limitations as the credit granted to a resident.

2 (10) If a change in the taxable year of the taxpayer occurs as described
3 in ORS 314.085, or if the department terminates the taxpayer's taxable year
4 under ORS 314.440, the credit allowed by this section shall be prorated or
5 computed in a manner consistent with ORS 314.085.

6 (11) If a change in the status of a taxpayer from resident to nonresident
7 or from nonresident to resident occurs, the credit allowed by this section
8 shall be determined in a manner consistent with ORS 316.117.

9 (12) Any tax credit otherwise allowable under this section which is not
10 used by the taxpayer in a particular year may be carried forward and offset
11 against the taxpayer's tax liability for the next succeeding tax year. Any
12 credit remaining unused in such next succeeding tax year may be carried
13 forward and used in the second succeeding tax year, and likewise any credit
14 not used in that second succeeding tax year may be carried forward and used
15 in the third succeeding tax year, and any credit not used in that third suc-
16 ceeding tax year may be carried forward and used in the fourth succeeding
17 tax year, and any credit not used in that fourth succeeding tax year may be
18 carried forward and used in the fifth succeeding tax year, but may not be
19 carried forward for any tax year thereafter.

20 (13) For purposes of the credit allowed under subsection (1) or (4) of this
21 section:

22 (a) The definitions and special rules contained in section 129(e) of the
23 Internal Revenue Code shall apply to the extent applicable.

24 (b) "Employer" means an employer carrying on a business, trade, occu-
25 pation or profession in this state.

26 (14) In the case of an on-site facility, in accordance with any rules
27 adopted by the department, the amount upon which the credit allowed under
28 subsection (1) of this section is based, with respect to any dependent, shall
29 be based upon utilization and the value of the services provided.

30 **SECTION 78.** ORS 315.208 is amended to read:

31 315.208. (1) A credit against the taxes otherwise due under ORS chapter

1 316 (or, if the taxpayer is a corporation that is an employer, under ORS
2 chapter 317 or 318) is allowed to an employer, based upon costs actually paid
3 or incurred by the employer, to acquire, construct, reconstruct, renovate or
4 otherwise improve real property so that the property may be used primarily
5 as a dependent care facility.

6 (2) The credit allowed under this section shall be the lesser of:

7 (a) \$2,500 multiplied by the number of full-time equivalent employees em-
8 ployed by the employer (on the property or within such proximity to the
9 property that any dependents of the employees may be cared for in the fa-
10 cility) on any date within the two years immediately preceding the end of
11 the first tax year for which credit is first claimed;

12 (b) Fifty percent of the cost of the acquisition, construction, recon-
13 struction, renovation or other improvement; or

14 (c) \$100,000.

15 (3) To qualify for the credit allowed under subsection (1) of this section:

16 (a) The amounts paid or incurred by the employer for the acquisition,
17 construction, reconstruction, renovation or other improvement to real prop-
18 erty may be paid or incurred either:

19 (A) To another to be used to acquire, construct, reconstruct, renovate or
20 otherwise improve real property to the end that it may be used as a de-
21 pendent care facility with which the employer contracts to make dependent
22 care assistance payments which payments are wholly or partially entitled to
23 exclusion from income of the employee for federal tax purposes under section
24 129 of the Internal Revenue Code; or

25 (B) To acquire, construct, reconstruct, renovate or otherwise improve real
26 property to the end that it may be operated by the employer, or a combina-
27 tion of employers, to provide dependent care assistance to the employees of
28 the employer under a program or programs under which the assistance is,
29 under section 129 of the Internal Revenue Code, wholly or partially excluded
30 from the income of the employee.

31 (b) The property must be in actual use as a dependent care facility on the

1 last day of the tax year for which credit is claimed and dependent care ser-
2 vices assisted by the employer must take place on the acquired, constructed,
3 reconstructed, renovated or improved property and must be entitled to an
4 exclusion (whole or partial) from the income of the employee for federal tax
5 purposes under section 129 of the Internal Revenue Code on the last day of
6 the tax year for which credit is claimed.

7 (c) The person or persons operating the dependent care facility on the
8 property acquired, constructed, reconstructed, renovated or improved must
9 hold a certification (temporary or not) issued under ORS 657A.030 and
10 657A.250 to 657A.450 by the Child Care [Division] **Office** to operate the fa-
11 cility on the property on the last day of the tax year of any tax year in
12 which credit under this section is claimed.

13 (d) The dependent care facility acquired, constructed, reconstructed, ren-
14 ovated or otherwise improved must be located in Oregon. No credit shall be
15 allowed under this section if the dependent care facility is not acquired,
16 constructed, reconstructed, renovated or improved to accommodate six or
17 more children.

18 (e) The employer must meet any other requirements or furnish any infor-
19 mation, including information furnished by the employees or person operat-
20 ing the dependent care facility, to the Department of Revenue that the
21 department requires under its rules to carry out the purposes of this section.

22 (f) The dependent care facility, the costs of the acquisition, construction,
23 reconstruction, renovation or improvement upon which the credit granted
24 under this section is based, must be placed in operation before January 1,
25 2002.

26 (4) The total amount of the costs upon which the credit allowable under
27 this section is based, and the total amount of the credit, shall be determined
28 by the employer, subject to any rules adopted by the department, during the
29 tax year in which the property acquired, constructed, reconstructed, reno-
30 vated or otherwise improved is first placed in operation as a dependent care
31 facility certified by the Child Care [Division] **Office** under ORS 657A.030 and

1 657A.250 to 657A.450. One-tenth of the total credit is allowable in that tax
2 year and one-tenth of the total credit is allowable in each succeeding tax
3 year, not to exceed nine tax years, thereafter. No credit shall be allowed
4 under this section for any tax year at the end of which the dependent care
5 facility is not in actual operation under a current certification (temporary
6 or not) issued by the Child Care [Division] **Office** nor shall any credit be
7 allowed for any tax year at the end of which the employer is not providing
8 dependent care assistance entitled to exclusion (whole or partial) from em-
9 ployee income for federal tax purposes under section 129 of the Internal
10 Revenue Code for dependent care on the property. Any tax credit allowable
11 under this section in a tax year may be carried forward in the same manner
12 and to the same tax years as if it were a tax credit described in ORS 315.204.

13 (5) Nothing in this section shall affect the computation of depreciation
14 or basis of a dependent care facility. If a deduction is allowed for purposes
15 of ORS chapter 316, 317 or 318 for the amounts paid or incurred upon which
16 the credit under this section is based, the deduction shall be reduced by the
17 dollar amount of the credit granted under this section.

18 (6) For purposes of the credit allowed under this section:

19 (a) The definitions and special rules contained in section 129(e) of the
20 Internal Revenue Code shall apply to the extent applicable.

21 (b) "Employer" means a resident, part-year resident or full-year nonresi-
22 dent employer carrying on a business, trade, occupation or profession in this
23 state.

24 (7) The department shall require that evidence that the person operating
25 the dependent care facility on the date that the taxpayer's tax year ends
26 holds a current certification (temporary or otherwise) to operate the facility
27 accompany the tax return on which any amount of tax credit granted under
28 this section is claimed, or that such evidence be separately furnished. If the
29 evidence is not so furnished, no credit shall be allowed for the tax year for
30 which the evidence is not furnished. The Child Care [Division] **Office** shall
31 cooperate by making such evidence, in an appropriate form, available to the

1 person operating the facility, if the person is currently certified (temporary
2 or not) so that, if necessary, it may be made available to the taxpayer.

3 **SECTION 79.** ORS 315.213 is amended to read:

4 315.213. (1) A credit against the taxes otherwise due under ORS chapter
5 316 or, if the taxpayer is a corporation, under ORS chapter 317 or 318 is al-
6 lowed to a taxpayer for certified contributions made to the Child Care [*Di-*
7 *vision*] **Office** under ORS 657A.706.

8 (2) The amount of a tax credit available to a taxpayer for a tax year under
9 this section shall equal the amount stated in the tax credit certificate re-
10 ceived under ORS 657A.706.

11 (3) The credit allowed under this section may not exceed the tax liability
12 of the taxpayer for the tax year in which the credit is claimed.

13 (4) If the amount claimed as a credit under this section is allowed as a
14 deduction for federal tax purposes, the amount allowed as a credit under this
15 section shall be added to federal taxable income for Oregon tax purposes.

16 (5) A credit under this section may be claimed by a nonresident or part-
17 year resident without proration.

18 (6) Any tax credit otherwise allowable under this section that is not used
19 by the taxpayer in a particular tax year may be carried forward and offset
20 against the taxpayer's tax liability for the next succeeding tax year. Any
21 credit remaining unused in the next succeeding tax year may be carried
22 forward and used in the second succeeding tax year, and likewise any credit
23 not used in that second succeeding tax year may be carried forward and used
24 in the third succeeding tax year, and any credit not used in that third suc-
25 ceeding tax year may be carried forward and used in the fourth succeeding
26 tax year, but may not be carried forward for any tax year thereafter.

27 (7) The definitions in ORS 657A.700 apply to this section.

28 **SECTION 80.** ORS 343.499, as amended by section 41, chapter 37, Oregon
29 Laws 2012, is amended to read:

30 343.499. (1)(a) There is created the State Interagency Coordinating Coun-
31 cil.

1 (b) The Governor shall appoint members of the council from a list of eli-
2 gible appointees provided by the council and agencies described in subsection
3 (2) of this section and shall ensure that the membership of the council rea-
4 sonably represents the population of this state.

5 (c) The Governor shall designate one member of the council to serve as
6 the chairperson, or if the Governor chooses not to name a chairperson, the
7 council may elect one of its members to serve as chairperson. However, any
8 member of the council who represents the Department of Education may not
9 serve as the chairperson of the council.

10 (2) The membership of the council shall be composed as follows:

11 (a) At least 20 percent of the council members shall be parents, including
12 minority parents, of preschool children with disabilities or of children with
13 disabilities who are 12 years of age or younger who have knowledge of or
14 experience with programs for infants and toddlers with disabilities. At least
15 one council member shall be a parent of an infant or toddler with a disability
16 or of a child with a disability who is six years of age or younger.

17 (b) At least 20 percent of the council members shall be public or private
18 providers of early intervention and early childhood special education ser-
19 vices.

20 (c) At least one council member shall be a member of the Legislative
21 Assembly.

22 (d) At least one council member shall be involved in personnel prepara-
23 tion.

24 (e) At least one council member shall represent the Department of Human
25 Services.

26 (f) At least one council member shall represent the federal Head Start
27 program.

28 (g) At least one council member shall represent the [*Child Care Division*
29 *of the Employment Department*] **Child Care Office**.

30 (h) At least one council member shall represent the Department of Edu-
31 cation.

1 (i) At least one council member shall represent the Department of Con-
2 sumer and Business Services.

3 (j) At least one council member shall represent the Early Learning
4 [*Council*] **Division**.

5 (k) At least one council member shall represent the Child Development
6 and Rehabilitation Center of the Oregon Health and Science University.

7 (L) At least one council member shall be a member of the State Advisory
8 Council for Special Education created under ORS 343.287.

9 (m) At least one council member shall be a representative designated by
10 the state coordinator for homeless education.

11 (n) At least one council member shall represent the state child welfare
12 agency responsible for foster care.

13 (o) At least one council member shall represent the state agency respon-
14 sible for children's mental health.

15 (p) At least one council member shall be from the Oregon Health Au-
16 thority.

17 (q) The council may include other members appointed by the Governor,
18 including but not limited to one representative from the United States Bu-
19 reau of Indian Affairs or, where there is no school operated or funded by the
20 bureau, from the Indian Health Service or the tribe or tribal council.

21 (3) An individual appointed to represent a state agency that is involved
22 in the provision of or payment for services for preschool children with disa-
23 bilities under subsection (2)(e) and (h) to (k) of this section shall have suf-
24 ficient authority to engage in making and implementing policy on behalf of
25 the agency.

26 (4) The State Interagency Coordinating Council shall:

27 (a) Advise the Superintendent of Public Instruction, the State Board of
28 Education and the Early Learning Council on unmet needs in the early
29 childhood special education and early intervention programs for preschool
30 children with disabilities, review and comment publicly on any rules pro-
31 posed by the State Board of Education and the distribution of funds for the

1 programs and assist the state in developing and reporting data on and eval-
2 uations of the programs and services.

3 (b) Advise and assist the represented public agencies regarding the ser-
4 vices and programs they provide to preschool children with disabilities and
5 their families, including public comments on any proposed rules affecting the
6 target population and the distribution of funds for such services, and assist
7 each agency in developing services that reflect the overall goals for the
8 target population as adopted by the council.

9 (c) Advise and assist the Department of Education and other state agen-
10 cies in the development and implementation of the policies that constitute
11 the statewide system.

12 (d) Assist all appropriate public agencies in achieving the full partic-
13 ipation, coordination and cooperation for implementation of a statewide
14 system that includes but is not limited to:

15 (A) Seeking information from service providers, service coordinators,
16 parents and others about any federal, state or local policies that impede
17 timely service delivery; and

18 (B) Taking steps to ensure that any policy problems identified under
19 subparagraph (A) of this paragraph are resolved.

20 (e) Advise and assist the Department of Education in identifying the
21 sources of fiscal and other support for preschool services, assigning financial
22 responsibility to the appropriate agencies and ensuring that the provisions
23 of interagency agreements under ORS 343.511 are carried out.

24 (f) Review and comment on each agency's services and policies regarding
25 services for preschool children with disabilities, or preschool children who
26 are at risk of developing disabling conditions, and their families to the
27 maximum extent possible to assure cost-effective and efficient use of re-
28 sources.

29 (g) To the extent appropriate, assist the Department of Education in the
30 resolution of disputes.

31 (h) Advise and assist the Department of Education in the preparation of

1 applications and amendments thereto.

2 (i) Advise and assist the Department of Education regarding the transi-
3 tion of preschool children with disabilities.

4 (j) Prepare and submit an annual report to the Governor, **the Early**
5 **Learning System Director, the Early Learning Council, the Legislative**
6 **Assembly** and [to] the United States Secretary of Education on the status
7 of early intervention programs operated within this state.

8 (5) The council may advise appropriate agencies about integration of
9 services for preschool children with disabilities and at-risk preschool chil-
10 dren.

11 (6) Terms of office for council members shall be three years, except that:

12 (a) The representative from the State Advisory Council for Special Edu-
13 cation shall serve a one-year term; and

14 (b) The representatives from other state agencies and the representative
15 from the Legislative Assembly shall serve indefinite terms.

16 (7) Subject to approval by the Governor, the council may use federal funds
17 appropriated for this purpose and available to the council to:

18 (a) Conduct hearings and forums;

19 (b) Reimburse nonagency council members under ORS 292.495 for attend-
20 ing council meetings, for performing council duties, and for necessary ex-
21 penses, including child care for parent members;

22 (c) Pay compensation to a council member if the member is not employed
23 or if the member must forfeit wages from other employment when performing
24 official council business;

25 (d) Hire staff; and

26 (e) Obtain the services of such professional, technical and clerical per-
27 sonnel as may be necessary to carry out its functions.

28 (8) Except as provided in subsection (7) of this section, council members
29 shall serve without compensation.

30 (9) The Department of Education shall provide clerical and administrative
31 support, including staff, to the council to carry out the performance of the

1 council's function as described in this section.

2 (10) The council shall meet at least quarterly. The meetings shall be an-
3 nounced publicly and, to the extent appropriate, be open and accessible to
4 the general public.

5 (11) No member of the council shall cast a vote on any matter that would
6 provide direct financial benefit to that member or otherwise give the ap-
7 pearance of a conflict of interest under state law.

8 **SECTION 81.** ORS 343.507, as amended by section 42, chapter 37, Oregon
9 Laws 2012, is amended to read:

10 343.507. (1) Each contractor for early childhood special education and
11 early intervention services shall assist in the development of a local early
12 intervention interagency advisory council in every county within the
13 contractor's service area.

14 (2) Each local early intervention interagency advisory council shall in-
15 clude as members at least 20 percent parents of preschool children with dis-
16 abilities, 20 percent providers of early childhood special education and early
17 intervention services or other services to preschool children with disabilities,
18 a representative of the Early Learning Council and representatives from
19 public and private agencies that serve young children and their families, in-
20 cluding but not limited to Head Start and Oregon prekindergartens, commu-
21 nity child care, the [*Child Care Division of the Employment Department*]
22 **Child Care Office**, local school districts, education service districts, De-
23 partment of Education regional special education programs, community
24 mental health programs, community developmental disabilities programs,
25 Department of Human Services health programs, child welfare programs and
26 public assistance programs, Indian education agencies, migrant programs
27 serving young children and community colleges.

28 (3) Each local early intervention interagency advisory council shall select
29 its own chairperson and vice chairperson and fix the duties of its officers.

30 (4) The department shall establish procedures pursuant to rules of the
31 State Board of Education for seeking and considering local council advice

1 regarding the selection of contractors, coordination of services and proce-
2 dures for local resolution of disputes.

3 **SECTION 82.** ORS 419B.005, as amended by section 60, chapter 37,
4 Oregon Laws 2012, and section 1, chapter 92, Oregon Laws 2012, is amended
5 to read:

6 419B.005. As used in ORS 419B.005 to 419B.050, unless the context re-
7 quires otherwise:

8 (1)(a) "Abuse" means:

9 (A) Any assault, as defined in ORS chapter 163, of a child and any phys-
10 ical injury to a child which has been caused by other than accidental means,
11 including any injury which appears to be at variance with the explanation
12 given of the injury.

13 (B) Any mental injury to a child, which shall include only observable and
14 substantial impairment of the child's mental or psychological ability to
15 function caused by cruelty to the child, with due regard to the culture of the
16 child.

17 (C) Rape of a child, which includes but is not limited to rape, sodomy,
18 unlawful sexual penetration and incest, as those acts are described in ORS
19 chapter 163.

20 (D) Sexual abuse, as described in ORS chapter 163.

21 (E) Sexual exploitation, including but not limited to:

22 (i) Contributing to the sexual delinquency of a minor, as defined in ORS
23 chapter 163, and any other conduct which allows, employs, authorizes, per-
24 mits, induces or encourages a child to engage in the performing for people
25 to observe or the photographing, filming, tape recording or other exhibition
26 which, in whole or in part, depicts sexual conduct or contact, as defined in
27 ORS 167.002 or described in ORS 163.665 and 163.670, sexual abuse involving
28 a child or rape of a child, but not including any conduct which is part of
29 any investigation conducted pursuant to ORS 419B.020 or which is designed
30 to serve educational or other legitimate purposes; and

31 (ii) Allowing, permitting, encouraging or hiring a child to engage in

1 prostitution or to patronize a prostitute, as defined in ORS chapter 167.

2 (F) Negligent treatment or maltreatment of a child, including but not
3 limited to the failure to provide adequate food, clothing, shelter or medical
4 care that is likely to endanger the health or welfare of the child.

5 (G) Threatened harm to a child, which means subjecting a child to a
6 substantial risk of harm to the child's health or welfare.

7 (H) Buying or selling a person under 18 years of age as described in ORS
8 163.537.

9 (I) Permitting a person under 18 years of age to enter or remain in or
10 upon premises where methamphetamines are being manufactured.

11 (J) Unlawful exposure to a controlled substance, as defined in ORS
12 475.005, that subjects a child to a substantial risk of harm to the child's
13 health or safety.

14 (b) "Abuse" does not include reasonable discipline unless the discipline
15 results in one of the conditions described in paragraph (a) of this subsection.

16 (2) "Child" means an unmarried person who is under 18 years of age.

17 (3) "Higher education institution" means:

18 (a) A community college as defined in ORS 341.005;

19 (b) A public university listed in ORS 352.002;

20 (c) The Oregon Health and Science University; and

21 (d) A private institution of higher education located in Oregon.

22 (4) "Law enforcement agency" means:

23 (a) A city or municipal police department.

24 (b) A county sheriff's office.

25 (c) The Oregon State Police.

26 (d) A police department established by a university under ORS 352.383.

27 (e) A county juvenile department.

28 (5) "Public or private official" means:

29 (a) Physician, osteopathic physician, physician assistant, naturopathic
30 physician, podiatric physician and surgeon, including any intern or resident.

31 (b) Dentist.

- 1 (c) School employee, including an employee of a higher education insti-
2 tution.
- 3 (d) Licensed practical nurse, registered nurse, nurse practitioner, nurse's
4 aide, home health aide or employee of an in-home health service.
- 5 (e) Employee of the Department of Human Services, Oregon Health Au-
6 thority, Early Learning [*Council*] **Division**, Youth Development Council,
7 [*Child Care Division of the Employment Department*] **Child Care Office**, the
8 Oregon Youth Authority, a county health department, a community mental
9 health program, a community developmental disabilities program, a county
10 juvenile department, a licensed child-caring agency or an alcohol and drug
11 treatment program.
- 12 (f) Peace officer.
- 13 (g) Psychologist.
- 14 (h) Member of the clergy.
- 15 (i) Regulated social worker.
- 16 (j) Optometrist.
- 17 (k) Chiropractor.
- 18 (L) Certified provider of foster care, or an employee thereof.
- 19 (m) Attorney.
- 20 (n) Licensed professional counselor.
- 21 (o) Licensed marriage and family therapist.
- 22 (p) Firefighter or emergency medical services provider.
- 23 (q) A court appointed special advocate, as defined in ORS 419A.004.
- 24 (r) A child care provider registered or certified under ORS 657A.030 and
25 657A.250 to 657A.450.
- 26 (s) Member of the Legislative Assembly.
- 27 (t) Physical, speech or occupational therapist.
- 28 (u) Audiologist.
- 29 (v) Speech-language pathologist.
- 30 (w) Employee of the Teacher Standards and Practices Commission directly
31 involved in investigations or discipline by the commission.

1 (x) Pharmacist.

2 (y) An operator of a preschool recorded program under ORS 657A.255.

3 (z) An operator of a school-age recorded program under ORS 657A.257.

4 (aa) Employee of a private agency or organization facilitating the pro-
5 vision of respite services, as defined in ORS 418.205, for parents pursuant to
6 a properly executed power of attorney under ORS 109.056.

7 (bb) Employee of a public or private organization providing child-related
8 services or activities:

9 (A) Including but not limited to youth groups or centers, scout groups or
10 camps, summer or day camps, survival camps or groups, centers or camps
11 that are operated under the guidance, supervision or auspices of religious,
12 public or private educational systems or community service organizations;
13 and

14 (B) Excluding community-based, nonprofit organizations whose primary
15 purpose is to provide confidential, direct services to victims of domestic vi-
16 olence, sexual assault, stalking or human trafficking.

17 (cc) A coach, assistant coach or trainer of an amateur, semiprofessional
18 or professional athlete, if compensated and if the athlete is a child.

19 **SECTION 83.** ORS 419B.020 is amended to read:

20 419B.020. (1) If the Department of Human Services or a law enforcement
21 agency receives a report of child abuse, the department or the agency shall
22 immediately:

23 (a) Cause an investigation to be made to determine the nature and cause
24 of the abuse of the child; and

25 (b) Notify the Child Care [*Division*] **Office** if the alleged child abuse oc-
26 curred in a child care facility as defined in ORS 657A.250.

27 (2) If the abuse reported in subsection (1) of this section is alleged to have
28 occurred at a child care facility:

29 (a) The department and the law enforcement agency shall jointly deter-
30 mine the roles and responsibilities of the department and the agency in their
31 respective investigations; and

1 (b) The department and the agency shall each report the outcomes of their
2 investigations to the Child Care [Division] **Office**.

3 (3) If the law enforcement agency conducting the investigation finds rea-
4 sonable cause to believe that abuse has occurred, the law enforcement
5 agency shall notify by oral report followed by written report the local office
6 of the department. The department shall provide protective social services
7 of its own or of other available social agencies if necessary to prevent fur-
8 ther abuses to the child or to safeguard the child's welfare.

9 (4) If a child is taken into protective custody by the department, the de-
10 partment shall promptly make reasonable efforts to ascertain the name and
11 address of the child's parents or guardian.

12 (5)(a) If a child is taken into protective custody by the department or a
13 law enforcement official, the department or law enforcement official shall,
14 if possible, make reasonable efforts to advise the parents or guardian imme-
15 diately, regardless of the time of day, that the child has been taken into
16 custody, the reasons the child has been taken into custody and general in-
17 formation about the child's placement, and the telephone number of the local
18 office of the department and any after-hours telephone numbers.

19 (b) Notice may be given by any means reasonably certain of notifying the
20 parents or guardian, including but not limited to written, telephonic or in-
21 person oral notification. If the initial notification is not in writing, the in-
22 formation required by paragraph (a) of this subsection also shall be provided
23 to the parents or guardian in writing as soon as possible.

24 (c) The department also shall make a reasonable effort to notify the
25 noncustodial parent of the information required by paragraph (a) of this
26 subsection in a timely manner.

27 (d) If a child is taken into custody while under the care and supervision
28 of a person or organization other than the parent, the department, if possible,
29 shall immediately notify the person or organization that the child has been
30 taken into protective custody.

31 (6) If a law enforcement officer or the department, when taking a child

1 into protective custody, has reasonable cause to believe that the child has
2 been affected by sexual abuse and rape of a child as defined in ORS 419B.005
3 (1)(a)(C) and that physical evidence of the abuse exists and is likely to dis-
4 appear, the court may authorize a physical examination for the purposes of
5 preserving evidence if the court finds that it is in the best interest of the
6 child to have such an examination. Nothing in this section affects the au-
7 thority of the department to consent to physical examinations of the child
8 at other times.

9 (7) A minor child of 12 years of age or older may refuse to consent to the
10 examination described in subsection (6) of this section. The examination
11 shall be conducted by or under the supervision of a physician licensed under
12 ORS chapter 677 or a nurse practitioner licensed under ORS chapter 678 and,
13 whenever practicable, trained in conducting such examinations.

14 (8) When the department completes an investigation under this section,
15 if the person who made the report of child abuse provided contact informa-
16 tion to the department, the department shall notify the person about whether
17 contact with the child was made, whether the department determined that
18 child abuse occurred and whether services will be provided. The department
19 is not required to disclose information under this subsection if the depart-
20 ment determines that disclosure is not permitted under ORS 419B.035.

21 **SECTION 84.** ORS 419B.035, as amended by section 4, chapter 348,
22 Oregon Laws 2009, and section 2, chapter 3, Oregon Laws 2012, is amended
23 to read:

24 419B.035. (1) Notwithstanding the provisions of ORS 192.001 to 192.170,
25 192.210 to 192.505 and 192.610 to 192.990 relating to confidentiality and ac-
26 cessibility for public inspection of public records and public documents, re-
27 ports and records compiled under the provisions of ORS 419B.010 to 419B.050
28 are confidential and may not be disclosed except as provided in this section.
29 The Department of Human Services shall make the records available to:

30 (a) Any law enforcement agency or a child abuse registry in any other
31 state for the purpose of subsequent investigation of child abuse;

1 (b) Any physician, at the request of the physician, regarding any child
2 brought to the physician or coming before the physician for examination,
3 care or treatment;

4 (c) Attorneys of record for the child or child's parent or guardian in any
5 juvenile court proceeding;

6 (d) Citizen review boards established by the Judicial Department for the
7 purpose of periodically reviewing the status of children, youths and youth
8 offenders under the jurisdiction of the juvenile court under ORS 419B.100
9 and 419C.005. Citizen review boards may make such records available to
10 participants in case reviews;

11 (e) A court appointed special advocate in any juvenile court proceeding
12 in which it is alleged that a child has been subjected to child abuse or neg-
13 lect;

14 (f) The Child Care [*Division*] **Office** for certifying, registering or other-
15 wise regulating child care facilities;

16 (g) The Office of Children's Advocate;

17 (h) The Teacher Standards and Practices Commission for investigations
18 conducted under ORS 342.176 involving any child or any student in grade 12
19 or below;

20 (i) Any person, upon request to the Department of Human Services, if the
21 reports or records requested regard an incident in which a child, as the re-
22 sult of abuse, died or suffered serious physical injury as defined in ORS
23 161.015. Reports or records disclosed under this paragraph must be disclosed
24 in accordance with ORS 192.410 to 192.505; and

25 (j) The [*Child Care Division of the Employment Department*] **Child Care**
26 **Office** for purposes of ORS 657A.030 (8)(g).

27 (2)(a) When disclosing reports and records pursuant to subsection (1)(i)
28 of this section, the Department of Human Services may exempt from disclo-
29 sure the names, addresses and other identifying information about other
30 children, witnesses, victims or other persons named in the report or record
31 if the department determines, in written findings, that the safety or well-

1 being of a person named in the report or record may be jeopardized by dis-
2 closure of the names, addresses or other identifying information, and if that
3 concern outweighs the public's interest in the disclosure of that information.

4 (b) If the Department of Human Services does not have a report or record
5 of abuse regarding a child who, as the result of abuse, died or suffered seri-
6 ous physical injury as defined in ORS 161.015, the department may disclose
7 that information.

8 (3) The Department of Human Services may make reports and records
9 compiled under the provisions of ORS 419B.010 to 419B.050 available to any
10 person, administrative hearings officer, court, agency, organization or other
11 entity when the department determines that such disclosure is necessary to
12 administer its child welfare services and is in the best interests of the af-
13 fected child, or that such disclosure is necessary to investigate, prevent or
14 treat child abuse and neglect, to protect children from abuse and neglect or
15 for research when the Director of Human Services gives prior written ap-
16 proval. The Department of Human Services shall adopt rules setting forth the
17 procedures by which it will make the disclosures authorized under this sub-
18 section or subsection (1) or (2) of this section. The name, address and other
19 identifying information about the person who made the report may not be
20 disclosed pursuant to this subsection and subsection (1) of this section.

21 (4) A law enforcement agency may make reports and records compiled
22 under the provisions of ORS 419B.010 to 419B.050 available to other law
23 enforcement agencies, district attorneys, city attorneys with criminal
24 prosecutorial functions and the Attorney General when the law enforcement
25 agency determines that disclosure is necessary for the investigation or
26 enforcement of laws relating to child abuse and neglect.

27 (5) A law enforcement agency, upon completing an investigation and
28 closing the file in a specific case relating to child abuse or neglect, shall
29 make reports and records in the case available upon request to any law
30 enforcement agency or community corrections agency in this state, to the
31 Department of Corrections or to the State Board of Parole and Post-Prison

1 Supervision for the purpose of managing and supervising offenders in custody
2 or on probation, parole, post-prison supervision or other form of conditional
3 or supervised release. A law enforcement agency may make reports and re-
4 cords compiled under the provisions of ORS 419B.010 to 419B.050 available
5 to law enforcement, community corrections, corrections or parole agencies
6 in an open case when the law enforcement agency determines that the dis-
7 closure will not interfere with an ongoing investigation in the case. The
8 name, address and other identifying information about the person who made
9 the report may not be disclosed under this subsection or subsection (6)(b) of
10 this section.

11 (6)(a) Any record made available to a law enforcement agency or com-
12 munity corrections agency in this state, to the Department of Corrections
13 or the State Board of Parole and Post-Prison Supervision or to a physician
14 in this state, as authorized by subsections (1) to (5) of this section, shall be
15 kept confidential by the agency, department, board or physician. Any record
16 or report disclosed by the Department of Human Services to other persons
17 or entities pursuant to subsections (1) and (3) of this section shall be kept
18 confidential.

19 (b) Notwithstanding paragraph (a) of this subsection:

20 (A) A law enforcement agency, a community corrections agency, the De-
21 partment of Corrections and the State Board of Parole and Post-Prison
22 Supervision may disclose records made available to them under subsection
23 (5) of this section to each other, to law enforcement, community corrections,
24 corrections and parole agencies of other states and to authorized treatment
25 providers for the purpose of managing and supervising offenders in custody
26 or on probation, parole, post-prison supervision or other form of conditional
27 or supervised release.

28 (B) A person may disclose records made available to the person under
29 subsection (1)(i) of this section if the records are disclosed for the purpose
30 of advancing the public interest.

31 (7) An officer or employee of the Department of Human Services or of a

1 law enforcement agency or any person or entity to whom disclosure is made
2 pursuant to subsections (1) to (6) of this section may not release any infor-
3 mation not authorized by subsections (1) to (6) of this section.

4 (8) As used in this section, “law enforcement agency” has the meaning
5 given that term in ORS 181.010.

6 (9) A person who violates subsection (6)(a) or (7) of this section commits
7 a Class A violation.

8 **SECTION 85.** ORS 646A.504 is amended to read:

9 646A.504. As used in ORS 646A.500 to 646A.514:

10 (1) “Commercial user” means any person, firm, corporation, association
11 or nonprofit corporation, or any agent or employee thereof, including child
12 care facilities or family child care homes certified or registered by the Child
13 Care [*Division*] **Office** under ORS 657A.250 to 657A.450, who:

14 (a) Deals in cribs of the kind governed by ORS 646A.500 to 646A.514;

15 (b) By virtue of the person’s occupation, purports to have knowledge or
16 skill peculiar to the cribs governed by ORS 646A.500 to 646A.514; or

17 (c) Is in the business of remanufacturing, retrofitting, selling, leasing,
18 subletting or otherwise placing cribs in the stream of commerce.

19 (2) “Crib” means:

20 (a) Any full-size crib as that term is defined in 16 C.F.R. 1508.3; or

21 (b) Any nonfull-size crib as that term is defined in 16 C.F.R. 1509.2(b).

22 (3) “Individual” means a natural person who is not a commercial user of
23 cribs.

24 (4) “Infant” means an individual who is less than three years of age.

25 **SECTION 86.** Section 130, chapter 37, Oregon Laws 2012, is amended to
26 read:

27 **Sec. 130.** (1) In addition to the minimum standards established for child
28 care facilities and the operation of child care facilities under ORS 657A.260
29 and subject to available funds, the [*Child Care Division of the Employment*
30 *Department*] **Child Care Office**, under the direction and with the approval
31 of the Early Learning Council, shall initiate development of a tiered quality

1 rating and improvement system for child care facilities.

2 (2) The tiered quality rating and improvement system implemented under
3 this section shall:

4 (a) Establish a set of progressively higher standards that are used to
5 evaluate the quality of an early learning and development program and to
6 support program improvement.

7 (b) Consist of the following components:

8 (A) Tiered standards that define a progression of quality for early learn-
9 ing and development programs.

10 (B) Monitoring of programs to evaluate quality based on established
11 standards.

12 (C) Support for programs and providers of programs to meet tiered quality
13 standards, including training, technical assistance and financial incentives.

14 (D) Program quality ratings that are publicly available.

15

16 **STATE BOARD OF EDUCATION**

17

18 **SECTION 87.** ORS 326.021 is amended to read:

19 326.021. (1) The State Board of Education shall consist of:

20 (a) The State Treasurer, or the designee of the State Treasurer;

21 (b) The Secretary of State, or the designee of the Secretary of State;

22 [*and*]

23 **(c) One member of the Oregon Education Investment Board; and**

24 [*(c)*] **(d) [Seven] Six** members, appointed by the Governor for a term of
25 four years beginning July 1 of the year of appointment, subject to confirma-
26 tion by the Senate in the manner provided in ORS 171.562 and 171.565. A
27 person appointed under this paragraph may not be appointed to serve con-
28 secutively more than two full terms as a board member.

29 (2) In making appointments under subsection (1) of this section, the Gov-
30 ernor shall select from residents of Oregon one member from each congres-
31 sional district and [*two members*] **one member** from the state at large. An

1 appointed member may not be engaged in teaching or participate in the ad-
2 ministration or operation of any school.

3 (3) The Governor may remove appointed members of the State Board of
4 Education for cause at any time after notice and public hearing.

5 (4) The State Treasurer and the Secretary of State, or the designee of the
6 State Treasurer or Secretary of State, are nonvoting, ex officio members of
7 the board.

8 **SECTION 88.** ORS 326.021, as amended by section 87 of this 2013 Act, is
9 amended to read:

10 326.021. (1) The State Board of Education shall consist of:

11 (a) The State Treasurer, or the designee of the State Treasurer;

12 (b) The Secretary of State, or the designee of the Secretary of State; **and**

13 [(c) *One member of the Oregon Education Investment Board; and*]

14 [(d)] **(c)** [*Six*] **Seven** members, appointed by the Governor for a term of
15 four years beginning July 1 of the year of appointment, subject to confirma-
16 tion by the Senate in the manner provided in ORS 171.562 and 171.565. A
17 person appointed under this paragraph may not be appointed to serve con-
18 secutively more than two full terms as a board member.

19 (2) In making appointments under subsection (1) of this section, the Gov-
20 ernor shall select from residents of Oregon one member from each congres-
21 sional district and [*one member*] **two members** from the state at large. An
22 appointed member may not be engaged in teaching or participate in the ad-
23 ministration or operation of any school.

24 (3) The Governor may remove appointed members of the State Board of
25 Education for cause at any time after notice and public hearing.

26 (4) The State Treasurer and the Secretary of State, or the designee of the
27 State Treasurer or Secretary of State, are nonvoting, ex officio members of
28 the board.

29 **SECTION 89.** Section 10, chapter 519, Oregon Laws 2011, as amended by
30 section 1, chapter 37, Oregon Laws 2012, is amended to read:

31 **Sec. 10.** (1) Sections 1, 2, 3, 5, 6 and 7, chapter 519, Oregon Laws 2011,

1 are repealed on March 15, 2016.

2 **(2) The amendments to ORS 326.021 by section 87 of this 2013 Act**
3 **become operative on March 15, 2016.**

4 **SECTION 90. The unit captions used in this 2013 Act are provided**
5 **only for the convenience of the reader and do not become part of the**
6 **statutory law of this state or express any legislative intent in the**
7 **enactment of this 2013 Act.**

8
