HB 3234-3 (LC 3493) 4/15/13 (HRL/ps)

## PROPOSED AMENDMENTS TO HOUSE BILL 3234

- On page 1 of the printed bill, line 2, delete "and".
- In line 4, after "329.200," delete the rest of the line.
- In line 10, delete "77" and insert "104".
- In line 11, after "2012" insert "; and declaring an emergency".
- In line 17, delete "learn" and insert "succeed".
- 6 After line 19, insert:

14

15

16

17

18

- "SECTION 1a. The duties, functions and powers of the Early
  Learning Council relating to the administration and enforcement of
  the Early Learning Council are imposed upon, transferred to and
  vested in the Early Learning Division of the Department of Education
  for the purpose of fulfilling the duties, powers and functions of the
  Early Learning Division.
- 13 "SECTION 1b. (1) The Early Learning System Director shall:
  - "(a) Deliver to the Department of Education all records and property within the jurisdiction of the director that relate to the duties, functions and powers transferred by section 1a of this 2013 Act; and
  - "(b) Transfer to the Department of Education those employees engaged primarily in the exercise of the duties, functions and powers transferred by section 1a of this 2013 Act.
- "(2) The Superintendent of Public Instruction shall take possession of the records and property, and shall take charge of the employees and employ them in the exercise of the duties, functions and powers

- transferred by section 1a of this 2013 Act, without reduction of compensation but subject to change or termination of employment or compensation as provided by law.
- "(3) The Governor shall resolve any dispute between the Early Learning Council and the Department of Education relating to transfers of records, property and employees under this section, and the Governor's decision is final.
- "SECTION 1c. (1) The unexpended balances of amounts authorized 8 to be expended by the Early Learning Council for the biennium be-9 ginning July 1, 2013, from revenues dedicated, continuously appropri-10 ated, appropriated or otherwise made available for the purpose of 11 administering and enforcing the duties, functions and powers trans-12 ferred by section 1a of this 2013 Act are transferred to and are avail-13 able for expenditure by the Department of Education for the biennium 14 beginning July 1, 2013, for the purpose of administering and enforcing 15 the duties, functions and powers transferred by section 1a of this 2013 16 Act. 17
  - "(2) The expenditure classifications, if any, established by Acts authorizing or limiting expenditures by the Early Learning Council remain applicable to expenditures by the Department of Education under this section.
  - "SECTION 1d. The transfer of duties, functions and powers to the Department of Education by section 1a of this 2013 Act does not affect any action, proceeding or prosecution involving or with respect to such duties, functions and powers begun before and pending at the time of the transfer, except that the Department of Education is substituted for the Early Learning Council in the action, proceeding or prosecution.
- "SECTION 1e. (1) Nothing in sections 1a to 1d of this 2013 Act relieves a person of a liability, duty or obligation accruing under or with

19

20

21

22

23

24

25

26

27

respect to the duties, functions and powers transferred by section 1a of this 2013 Act. The Department of Education may undertake the collection or enforcement of any such liability, duty or obligation.

"(2) The rights and obligations of the Early Learning Council legally incurred under contracts, leases and business transactions executed, entered into or begun before the operative date of section 1a of this 2013 Act accruing under or with respect to the duties, functions and powers transferred by section 1a of this 2013 Act are transferred to the Department of Education. For the purpose of succession to these rights and obligations, the Department of Education is a continuation of the Early Learning Council and not a new authority. 

"SECTION 1f. Notwithstanding the transfer of duties, functions and powers by section 1a of this 2013 Act, the rules of the Early Learning Council with respect to such duties, functions or powers that are in effect on the operative date of section 1a of this 2013 Act continue in effect until superseded or repealed by rules of the Department of Education.

"SECTION 1g. Whenever, in any uncodified law or resolution of the Legislative Assembly or in any rule, document, record or proceeding authorized by the Legislative Assembly, in the context of the duties, functions and powers transferred by section 1a of this 2013 Act, reference is made to the administration of the Early Learning Council, or an officer or employee of the Early Learning Council, whose duties, functions or powers are transferred by section 1a of this 2013 Act, the reference is considered to be a reference to the Department of Education or an officer or employee of the Department of Education who by this 2013 Act is charged with carrying out such duties, functions and powers."

On page 2, line 12, delete "State Board of Education" and insert "Early Learning Council, acting as the state advisory council for purposes of the

- 1 federal Head Start Act,".
- In line 16, delete "board" and insert "council".
- In line 25, delete "State Board of".
- In line 26, delete "Education" and insert "Early Learning Council".
- In line 33, delete "State Board of Education" and insert "Early Learning
- 6 Council".
- 7 In line 45, delete "State Board of Education" and insert "Early Learning
- 8 Council".
- 9 On page 3, line 29, delete "State Board of Education" and insert "Early
- 10 Learning Council".
- On page 4, line 30, delete "State Board of Education" and insert "Early
- 12 Learning Council".
- In line 34, delete "board and".
- In line 38, delete "State Board of Education" and insert "Early Learning
- 15 Council, acting as the state advisory council for purposes of the federal Head
- 16 Start Act,".
- On page 5, line 2, delete "board" and insert "council".
- In line 9, delete "board" and insert "council".
- In line 14, delete "State Board of Education" and insert "Early Learning
- 20 Council, acting as the state advisory council for purposes of the federal Head
- 21 Start Act,".
- In line 23, delete "board" and insert "council".
- In line 30, delete "board" and insert "council".
- On page 6, delete lines 4 through 45 and delete page 7.
- On page 8, delete lines 1 through 30 and insert:
- "NOTE: Sections 13 through 18 were deleted by amendment. Subsequent
- 27 sections were not renumbered.
- **"SECTION 19.** Section 10, chapter 37, Oregon Laws 2012, is amended to
- 29 read:
- "Sec. 10. (1) The Early Learning [Council] Division Fund is established

- in the State Treasury, separate and distinct from the General Fund. Interest
- earned by the Early Learning [Council] Division Fund shall be credited to
- 3 the fund.
- 4 "(2) Moneys in the Early Learning [Council] **Division** Fund consist of:
- 5 "(a) Amounts donated to the fund;
- 6 "(b) Moneys transferred to the fund from the federal government, state
- 7 agencies and local governments;
- 8 "(c) Amounts appropriated or otherwise transferred to the fund by the
- 9 Legislative Assembly;
- "(d) Investment earnings received on moneys in the fund; and
- "(e) Other amounts deposited in the fund from any source.
- "(3) Moneys in the fund are continuously appropriated to the [Early
- 13 Learning Council established in section 4, chapter 519, Oregon Laws 2011,]
- 14 **Department of Education** for the purpose of fulfilling the [council's] duties,
- 15 functions and powers of the Early Learning Division.
- "(4) The [council] department may establish accounts and subaccounts
- 17 within the fund when the [council] department determines that accounts or
- subaccounts are necessary or desirable and may credit any interest or income
- 19 derived from moneys in the fund to any account or subaccount in the
- 20 fund.".
- On page 13, delete lines 15 through 29 and insert:
- "NOTE: Section 27 was deleted by amendment. Subsequent sections were
- 23 not renumbered.".
- On page 17, delete lines 31 through 45.
- On page 18, delete lines 1 through 41.
- In line 45, delete "37" and insert "36".
- On page 19, after line 18, insert:
- 28 "SECTION 37. The duties, functions and powers of the Child Care
- 29 Division of the Employment Department are imposed upon, trans-
- 30 ferred to and vested in the Early Learning Division of the Department

1 of Education.

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

29

- "SECTION 37a. (1) The Director of the Employment Department shall:
- "(a) Deliver to the Department of Education all records and property within the jurisdiction of the director that relate to the duties, functions and powers transferred by section 37 of this 2013 Act; and
- "(b) Transfer to the Department of Education those employees engaged primarily in the exercise of the duties, functions and powers transferred by section 37 of this 2013 Act.
  - "(2) The Superintendent of Public Instruction shall take possession of the records and property, and shall take charge of the employees and employ them in the exercise of the duties, functions and powers transferred by section 37 of this 2013 Act, without reduction of compensation but subject to change or termination of employment or compensation as provided by law.
  - "(3) The Governor shall resolve any dispute between the Employment Department and the Department of Education relating to transfers of records, property and employees under this section, and the Governor's decision is final.
  - "SECTION 37b. (1) The unexpended balances of amounts authorized to be expended by the Employment Department for the biennium beginning July 1, 2013, from revenues dedicated, continuously appropriated, appropriated or otherwise made available for the purpose of administering and enforcing the duties, functions and powers transferred by section 37 of this 2013 Act are transferred to and are available for expenditure by the Department of Education for the biennium beginning July 1, 2013, for the purpose of administering and enforcing the duties, functions and powers transferred by section 37 of this 2013 Act.
    - "(2) The expenditure classifications, if any, established by Acts au-

thorizing or limiting expenditures by the Employment Department remain applicable to expenditures by the Department of Education under this section.

"SECTION 37c. The transfer of duties, functions and powers to the Department of Education by section 37 of this 2013 Act does not affect any action, proceeding or prosecution involving or with respect to such duties, functions and powers begun before and pending at the time of the transfer, except that the Department of Education is substituted for the Employment Department in the action, proceeding or prosecution.

"SECTION 37d. (1) Nothing in sections 37 to 37c of this 2013 Act relieves a person of a liability, duty or obligation accruing under or with respect to the duties, functions and powers transferred by section 37 of this 2013 Act. The Department of Education may undertake the collection or enforcement of any such liability, duty or obligation.

"(2) The rights and obligations of the Employment Department legally incurred under contracts, leases and business transactions executed, entered into or begun before the operative date of section 37 of this 2013 Act accruing under or with respect to the duties, functions and powers transferred by section 37 of this 2013 Act are transferred to the Department of Education. For the purpose of succession to these rights and obligations, the Department of Education is a continuation of the Employment Department and not a new authority.

"SECTION 37e. Notwithstanding the transfer of duties, functions and powers by section 37 of this 2013 Act, the rules of the Employment Department with respect to such duties, functions or powers that are in effect on the operative date of section 37 of this 2013 Act continue in effect until superseded or repealed by rules of the Department of Education or the Early Learning Council. References in such rules of the Employment Department to the Employment Department or an

- officer or employee of the Employment Department are considered to
- 2 be references to the Department of Education or an officer or em-
- 3 ployee of the Department of Education.
- 4 "SECTION 37f. Whenever, in any uncodified law or resolution of the
- 5 Legislative Assembly or in any rule, document, record or proceeding
- 6 authorized by the Legislative Assembly, in the context of the duties,
- 7 functions and powers transferred by section 37 of this 2013 Act, refer-
- 8 ence is made to the Employment Department, or an officer or em-
- 9 ployee of the Employment Department, whose duties, functions or
- powers are transferred by section 37 of this 2013 Act, the reference is
- considered to be a reference to the Department of Education or an
- officer or employee of the Department of Education who by this 2013
- 13 Act is charged with carrying out such duties, functions and powers.".
- On page 20, line 16, delete "office" and insert "Early Learning Council".
- In line 22, delete "office" and insert "Early Learning Council".
- In line 30, delete "office" and insert "Early Learning Council".
- In line 33, delete "office" and insert "Early Learning Council".
- On page 24, line 18, delete the second "office" and insert "Early Learning
- 19 Council".
- In line 34, delete "office" and insert "Early Learning Council".
- In line 44, delete "office" and insert "Early Learning Council".
- 22 On page 25, line 10, delete the second "office" and insert "Early Learning
- 23 Council".
- In line 26, delete "office" and insert "Early Learning Council".
- In line 36, delete "office" and insert "Early Learning Council".
- Delete lines 40 through 45.
- On page 26, delete lines 1 through 8 and insert:
- "SECTION 48. ORS 657A.260 is amended to read:
- 29 "657A.260. (1) After consultation with appropriate agencies and interested
- persons, the [Child Care Division] Early Learning Council by rule shall

- 1 establish minimum standards for child care facilities and the operation
- thereof and for the administration of ORS 657A.030 and 657A.250 to 657A.450.
- 3 "(2) In establishing minimum standards of health and safety, the
- 4 [division] council shall consult with the Oregon Health Authority and the
- 5 State Fire Marshal and shall give consideration to their recommendations
- and to all basic requirements for the protection of the children to receive
- 7 child care, including the criteria prescribed in ORS 657A.290, and may adopt
- 8 rules applicable to different categories of child care facilities, considering:
- 9 "(a) The numbers and ages of the children to receive care in the child 10 care facility.
- 11 "(b) The number, experience and training of the staff of the child care 12 facility.
- 13 "(c) The types and qualities of equipment and other factors in the physical 14 plant of the child care facility.
- 15 "(d) Any other factor affecting the care provided in the child care facility.".
- In line 23, delete "Child Care Office" and insert "Early Learning Council".
- In line 41, delete "Child Care Office" and insert "Early Learning Council".
- On page 27, line 2, delete "office" and insert "Child Care Office".
- In line 5, delete "office" and insert "Early Learning Council".
- Delete lines 20 through 39 and insert:
- **"SECTION 52.** ORS 657A.280 is amended to read:
- 25 "657A.280. (1) A person may not operate a child care facility, except a facility subject to the registration requirements of ORS 657A.330, without a
- 27 certification for the facility from the Child Care [Division] Office.
- 28 "(2) The [Child Care Division] Early Learning Council shall adopt rules
- 29 for the certification of a family child care home caring for not more than
- 30 16 children. The rules shall be specifically adopted for the regulation of

- 1 certified child care facilities operated in a facility constructed as a single-
- 2 family dwelling. Notwithstanding fire and other safety regulations, the rules
- 3 that the [Child Care Division] council adopts for certified child care facili-
- 4 ties shall set standards that can be met without significant architectural
- 5 modification of a typical home. In adopting the rules, the [Child Care Divi-
- 6 sion] council may consider and set limits according to factors including the
- 7 age of children in care, the ambulatory ability of children in care, the num-
- 8 ber of the provider's children present, the length of time a particular child
- 9 is continuously cared for and the total amount of time a particular child is
- 10 cared for within a given unit of time.

- "(3) In addition to rules adopted for and applied to a certified family child
  - care home providing child care for not more than 16 children, the [Child
- 13 Care Division] council shall adopt and apply separate rules appropriate for
- any child care facility that is a child care center.
- 15 "(4) Any person seeking to operate a child care facility may apply for a
- certification for the facility from the Child Care [Division] Office and re-
- 17 ceive a certification upon meeting certification requirements.".
- On page 28, line 37, delete "office" and insert "Early Learning Council".
- On page 29, line 14, delete "office" and insert "Early Learning Council".
- In line 41, delete "office" and insert "Early Learning Council".
- On page 30, line 19, delete "office" and insert "Early Learning Council".
- In line 25, delete "office" and insert "Early Learning Council".
- In line 27, delete "office" and insert "Early Learning Council".
- On page 31, line 23, delete "office" and insert "Early Learning Council".
- On page 32, line 29, delete "Child Care Office, the".
- On page 33, delete lines 34 through 45.
- On page 34, delete lines 1 through 35 and insert:
- **"SECTION 68.** ORS 657A.706 is amended to read:
- 29 "657A.706. (1) For the purpose of implementing the program established
- 30 under ORS 657A.703, the [Child Care Division of the Employment

- 1 Department] Early Learning Council, in collaboration with an advisory
- 2 committee established by the [Child Care Division] council and the Child
- 3 Care Office, shall:
- 4 "(a) Adopt rules.

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

29

- 5 "(b) Select a tax credit marketer who agrees to market tax credits to 6 taxpayers.
- "(c) Identify child care goals that are consistent with the purposes provided in ORS 657A.703 (2). The goals identified under this paragraph shall take into account state resources and needs.
- "(d) Develop by rule the application process an entity must complete to be designated as a community agency under ORS 657A.700 to 657A.718, and any process for the renewal of that designation.
  - "(e) Select one or more community agencies.
  - "(f) Enter into an agreement with each selected community agency to perform the functions specified in ORS 657A.715.
  - "(g) Determine the total value of moneys to be available to each selected community agency to distribute to providers based on goals identified under paragraph (c) of this subsection, and distribute those moneys in the manner provided in ORS 657A.712 to the selected community agencies. The total value of moneys available to all selected community agencies in this state may not exceed the amount of contributions received from taxpayers during the tax year minus any reasonable administrative costs incurred by the Child Care [Division] Office and the selected community agencies.
  - "(2) The [Child Care Division] Early Learning Council may adopt rules that establish a fixed percentage that is less than 100 percent by which the amount contributed by a taxpayer will be certified for a tax credit by the [division] Child Care Office. The purpose of the grant of rulemaking authority under this subsection is to permit the [division] Early Learning Council to calibrate the amount of the tax credit to interpretations of the deductibility of qualified contributions under section 170 of the Internal

1 Revenue Code for federal tax purposes.

- "(3)(a) The Child Care [Division] **Office** shall issue tax credit certificates in the chronological order in which the contributions are received by the [division] office. The [division] office shall issue tax credit certificates to contributors until the total value of all certificates issued by the [division] **office** for the calendar year equals \$500,000. Each issued certificate shall state the value of the contribution being certified as eligible for the tax credit allowed under ORS 315.213. Except as provided in rules adopted under subsection (2) of this section, the certified value shall equal the amount of the contribution.
  - "(b) The Child Care [Division] **Office** may not issue a tax credit certificate to a taxpayer to the extent the credit value to be certified, when added to the total credit value previously certified by the [Child Care Division] **office** under paragraph (a) of this subsection for the calendar year exceeds \$500,000.
  - "(c) The Child Care [Division] **Office** shall send a copy of all tax credit certificates issued under this section to the Department of Revenue.
    - "(d) Qualified contributions shall be deposited in the Child Care Fund.
  - "(4) A taxpayer that receives a notice of denial of a tax credit certificate or that receives a tax credit certificate issued for an amount that is less than the amount contributed may request a refund for the amount contributed within 90 days of the [Child Care Division's] Child Care Office's denial or issuance of the certificate. The Child Care [Division] Office must send notice of a denial or changed amount and refund the amount for which a tax credit will not be granted within 30 days after receiving the request. The refund shall be made from the Child Care Fund.
  - "(5) The [Child Care Division] **Early Learning Council** may establish by rule any other provisions required to implement the program established under ORS 657A.700 to 657A.718.".
  - On page 35, delete lines 6 through 17 and insert:

- "SECTION 70. ORS 657A.712 is amended to read:
- 2 "657A.712. (1) The [Child Care Division of the Employment Department]
- 3 **Child Care Office** shall distribute revenues in the Child Care Fund that are
- 4 derived from contributions, minus the amounts needed to make refunds under
- 5 ORS 657A.706 (4) and to cover expenses of the Child Care [Division] Office
- 6 in administering ORS 657A.700 to 657A.718.
- 7 "(2) Distributions shall be made to community agencies selected under
- 8 ORS 657A.706 in the proportion that the Child Care [Division] Office deter-
- 9 mines best promotes the provision of child care in this state.
- "(3) Moneys distributed to selected community agencies shall be disbursed
- to child care providers, consistent with rules adopted by the [Child Care
- 12 Division] Early Learning Council relating to the disbursement of moneys
- by selected community agencies. The [Child Care Division] council shall
- 14 consider the factors described in ORS 657A.715 (2)(h) when adopting rules
- under this subsection.".
- In line 34, delete "Child Care" and delete "Office" and insert "Early
- 17 Learning Council".
- On page 36, delete lines 5 through 26 and insert:
- **"SECTION 72.** ORS 657A.718 is amended to read:
- 20 "657A.718. (1) Each selected community agency shall select participating
- 21 child care providers that meet the following requirements:
- 22 "(a) If a home-based business, the provider must enter into an agreement
- with the community agency to continue to provide child care services for at
- least an additional two years.
- 25 "(b) If a home-based business, the provider must serve at least two fami-
- lies that have incomes that are 85 percent or less of the median income for
- 27 the region. If a center, at least 25 percent of the families the provider serves
- 28 must have incomes that are 85 percent or less of the median income for the
- 29 region.

"(c) The provider must accept children for whom child care is paid for

- 1 through a Department of Human Services subsidy.
- "(d) The provider and the employees of the provider must provide high quality child care.
- "(e) The provider, if the provider is an individual, and the employees of the provider must comply with [Child Care Division] Early Learning Council rules and requirements for registration or certification.
- "(f) The provider must maintain adequate liability insurance, financial records and parent policies and contracts, and permit the selected community agency to conduct visits.
- "(g) For care provided to children of families whose income does not exceed the level established by the selected community agency under ORS 657A.715 (2)(g), the provider must agree to limit the total child care fees charged to a family to a percentage established by the [Child Care Division] Early Learning Council by rule.
- "(2) In selecting participating child care providers, selected community agencies must give preference to providers that provide child care to low and moderate income families.".
- In line 36, delete "office" and insert "Early Learning Council".
- In line 37, delete "office" and insert "Early Learning Council".
- In line 39, delete "office" and insert "council".
- On page 38, line 36, delete "Child Care" and delete the second "Office" and insert "Early Learning Council".
- 23 On page 51, line 45, delete "87" and insert "88".
- On page 52, delete lines 2 through 4 and insert:

## "RELIEF NURSERIES

27

- "SECTION 90. Section 104, chapter 37, Oregon Laws 2012, is amended to read:
- "Sec. 104. (1) The amendments to statutes by sections [83 to 102 of this

- 1 2012 Act] 83 to 91 and 93 to 102, chapter 37, Oregon Laws 2012, and the
- 2 repeal of statutes by section 103 [of this 2012 Act], chapter 37, Oregon Laws
- **2012,** become operative on January 1, 2014.
- "(2) The amendments to ORS 417.788 by section 92, chapter 37, Oregon Laws 2012, become operative on the effective date of this 2013 Act.

8

## "MISCELLANEOUS PROVISIONS

9

24

25

26

27

28

29

30

"SECTION 91. Sections 1a to 1g, 20, 36 to 37f and 39 of this 2013 Act 10 and the amendments to ORS 131A.360, 131A.365, 307.145, 307.490, 307.500, 11 315.204, 315.208, 315.213, 326.021, 329.075, 329.156, 329.165, 329.170, 329.175, 12 329.183, 329.185, 329.190, 329.195, 329.200, 343.499, 343.507, 417.787, 417.788, 13 417.790, 417.793, 418.975, 419B.005, 419B.020, 419B.035, 458.525, 609.652, 14 646A.504, 657A.010, 657A.020, 657A.030, 657A.180, 657A.190, 657A.250, 15 657A.252, 657A.255, 657A.257, 657A.260, 657A.263, 657A.270, 657A.275, 16 657A.280, 657A.290, 657A.300, 657A.310, 657A.330, 657A.350, 657A.360, 17 657A.370, 657A.390, 657A.400, 657A.410, 657A.420, 657A.450, 657A.490, 18 657A.700, 657A.703, 657A.706, 657A.709, 657A.712, 657A.715, 657A.718 and 19 657A.992 and section 10, chapter 519, Oregon Laws 2011, and sections 20 10, 68b and 130, chapter 37, Oregon Laws 2012, by sections 2 to 12, 19, 21 21 to 35, 38 and 40 to 89 of this 2013 Act become operative on July 1, 22 2013. 23

"SECTION 92. The unit captions used in this 2013 Act are provided only for the convenience of the reader and do not become part of the statutory law of this state or express any legislative intent in the enactment of this 2013 Act.

"SECTION 93. This 2013 Act being necessary for the immediate preservation of the public peace, health and safety, an emergency is declared to exist, and this 2013 Act takes effect on passage."