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June 12, 2017
Joint Ways and Means Education Subcommittee
HB 2259A & HB 2260A

Child Care Development Block Grant: Oregon's system of child care supports

Oregon statute designates the Early Learning Division Office of Child Care (OCC) as the state agency responsible for administering funds received by the State of Oregon pursuant to the federal Child Care and Development Block Grant Act (ORS 329A.010). Without CCDBG, Oregon virtually would not have a statewide child care system that supports families by promoting safe, quality child care.

The Child Care and Development Block Grant Act of 2014 imposed new background check requirements for child care providers. These requirements include fingerprinting of all child care staff members, including staff members who don't directly care for children but have unsupervised access to children; specifies disqualifying crimes; and requires fingerprinting every five years. The Act designates the required registries and databases states must search.

The new federal requirements for background checks include:

- Checks of state criminal and sex offender registries or repositories
- Checks of state-based child abuse and neglect registries and databases in the state where the subject individual resides and each state where the subject individual resided during the preceding five years
- A search of the National Crime Information Center
- Federal Bureau of Investigation fingerprint check
- A check of the National Sex Offender Registry

New requirements also include publicly available information on child care facilities and a consumer-friendly website for parents, providers and the general public.

Need for HB 2259A & HB 2260A:

HB 2259A and HB 2260A revise Oregon statutes in response to the new federal requirements.

HB 2259A:

- Provides authorization for the OCC to conduct the required criminal records checks in accordance with the federal law.

- Removes the two year Central Background Registry expiration and renewal requirement from statute and authorizes the Early Learning Council to set expiration and renewal through administrative rule.
 - This will allow better alignment with federal requirements for fingerprinting every five years and, over the long run, will reduce the expense to the state and providers by not needing to capture and process fingerprints background checks every two years.
 - The OCC will continue current practice of running quarterly criminal background checks through the law enforcement data system (LEDS).
- Allows the OCC to fingerprint subject individuals upon initial and renewal applications, and conduct background checks through the databases and registries required under federal law.
- Authorizes the Early Learning Council to adopt rules to define the databases and registries by rule. Establishing the databases and registries in rule will provide flexibility in meeting and maintaining compliance with federal requirements.
- Prohibits the OCC from enrolling an individual who has a disqualifying condition. Disqualifying conditions shall be identified in administrative rule to conform to the federal list of criminal convictions that automatically disqualify an individual from providing child care.
- Include technical amendments to DHS statutes, ORS 419B.035(1)(j), to conform cross references and additions of language in 329A.030.

HB 2260A:

- Requires the OCC to maintain a website and disseminate information required under federal law.
- Specifies that the name, address and other identifying information about a complainant may not be disclosed.
- Allows the OCC to maintain records electronically for the Central Background Registry. Provides general authority to the OCC to maintain information about child care facilities and providers through electronic records systems.
- Specifies that the OCC may share information with other public entities about investigations and inspections to support the health or safety of children in child care.
- Makes changes to 329A.310 and 329A.992 to correct cross references.

Fiscal Impact: ODE Policy Option Package 202

The new requirements within the CCDBG result in an increase in workload and therefore staffing needs. The Early Learning Division considered the impact of federal law in development of 15-17 and 17-19 budgets.

Currently, the Office of Child Care (OCC) conducts background checks in the Law Enforcement Data System (LEDS) through the Oregon State Police on all subject individuals in licensed child care. The query includes the Oregon sex offender registry and a Child Protective Services database check. Annually, the OCC runs approximately 28,000 background checks. LEDS scans are conducted quarterly on all 63,000 individuals in the database. Approximately 14.5 percent of individuals

applying for enrollment in the OCC Central Background Registry are currently required to complete the FBI fingerprint checks. With the implementation of the new CCDF rules, the requirement for FBI background check will now apply to all individuals enrolled in the OCC Central Background Registry.

Policy Option Package 202

Positions: To accept and process Central Background Registry applications and run Oregon background checks, review FBI criminal history background and correlate other state crimes to Oregon crimes, review Oregon child protective service cases and Oregon and other state court records for background clearance.

As we discussed with this subcommittee and the joint subcommittee on Human Services in May, staffing impacts have been structured such that once the OCC processes all individuals currently enrolled, staffing needs going forward will be reevaluated. In the long term, we anticipate a lower staffing impact through reducing the frequency of required fingerprinting as is provided in HB 2259. (See attached for May adjustments to POP 202)

Other Funds Limitation: The new federal requirements result in an increase in the number of individuals subject to fingerprinted criminal background checks through the FBI. While the OCC collects fees from individuals for the background checks, those fees are then passed on to the Oregon State Police to pay for the OSP background checks and FBI fingerprint checks. Policy Option Package 202 provides \$2.9 million in Other Funds Limitation for this purpose.

Policy Option Package 202	Positions	FTE
Governor's Recommended Budget	25	24.50

Proposed Revision to GRB	18	18.00
Net Difference Proposed to GRB	-7	(6.50)

FTE Classification Overview			
Classification Title	GRB	Proposed	Net Difference Proposed to GRB
Permanent FTE			
Administrative Specialist 2	10.00	6.00	(4.00)
Office Specialist 2	3.00	3.00	0.00
Compliance Specialist 1	1.00	1.00	0.00
Compliance Specialist 2	3.00	1.00	(2.00)
Compliance Specialist 3	1.00	1.00	0.00
Program Analyst 4	1.00	1.00	0.00
Program Analyst 3	2.00	1.00	(1.00)
Program Analyst 1	2.00	1.00	(1.00)
Office Manager 2	1.00	0.00	(1.00)
Operations & Policy Analyst 3	0.50	0.00	(0.50)
Subtotal Permanent FTE	24.50	15.00	(9.50)
Limited Duration FTE			
Limited Duration Admin Spec 2	0.00	3.00	3.00
Subtotal Limited Duration FTE	0.00	3.00	3.00
Total FTE Requested POP 202	24.50	18.00	(6.50)