

**HB 2348 STAFF MEASURE SUMMARY**

**House Committee On Human Services and Housing**

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**Sub-Referral To:** Joint Committee On Ways and Means

**Meeting Dates:** 2/20, 3/27

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**WHAT THE MEASURE DOES:**

Requires the Early Learning Division (ELD) to develop a pilot program in a rural area experiencing child care shortages, to reimburse “high quality” care. Requires ELD to develop a cost modeling system to determine costs and reimbursements. Specifies the Department of Human Services (DHS) must set child care reimbursement rates at 75 percent of market value, reduce subsidy recipient copayments at 10 percent or less of household income, and contract with providers to ensure services are available in counties where children ages 0-3 have limited access to off-hour care. Requires ELD to submit annual report on outcomes to Legislative Assembly beginning January 1, 2020. Appropriates unspecified amount of General Fund to DHS.

**ISSUES DISCUSSED:**

- Cost of having children in child care programs
- Co-pays for Employment-Related Day Care Programs
- Pay for child care providers

**EFFECT OF AMENDMENT:**

No amendment.

**BACKGROUND:**

Oregon’s Department of Human Services (DHS) operates the Employment-Related Day Care program (ERDC), which helps eligible low-income families pay for child care. The ERDC is a subsidy program, where eligible families still pay part of the cost for child care services and the subsidy depends on the family’s income, size, and amount the child care provider charges. According to DHS, the ERDC works with “providers and other child care partners across the state to help families find and keep good child care, improve the availability of quality child care in Oregon, and to develop resources for parents and child care providers.”

House Bill 2348 creates a pilot program in a rural area to improve access to and affordability of child care.

*Subsequent referral to Joint Ways and Means*