

SUBCOMMITTEE RECOMMENDATION

Item 9: Oregon Department of Education Child Care Development Fund Cash Flow

To: Ways and Means Full Committee
From: Education Subcommittee
Carrier: Representative McLain

The Education Subcommittee recommends that the Joint Interim Committee on Ways and Means acknowledge receipt of a report from the Oregon Department of Education’s Early Learning Division on current and projected cash flow for programs funded by federal Child Care Development Funds.

A budget note in the agency’s 2021-23 budget bill directs the Early Learning Division to report on cash flow for both ongoing CCDF resources and for the more than \$400 million in one-time CCDF resources provided through the American Rescue Plan Act. CCDF funds support child care services for low-income families and fund quality assurance and improvement activities for child care providers statewide. The report identifies a potential funding shortfall in the 2025-27 biennium based on current estimates, and the Subcommittee heard from the agency about the likelihood of that shortfall and on plans to address it if it occurs.

The report also describes the uses for the more than \$400 million of one-time ARPA funds, including making \$224 million in grants to child care providers, providing \$24.9 million of technical assistance to child care providers, and using \$79.3 million to expand the Employment-Related Day Care caseload by 1,000 monthly slots.

The Subcommittee recommends approval.