

HB 3073 B STAFF MEASURE SUMMARY**House Committee On Rules****Action Date:** 04/29/21**Action:** Do pass with amendments to the A-Eng bill, and be referred to Ways and Means by prior reference. (Printed B-Eng).**Vote:** 5-2-0-0**Yeas:** 5 - Fahey, Holvey, Salinas, Smith Warner, Zika**Nays:** 2 - Bonham, Drazan**Fiscal:** Fiscal impact issued**Revenue:** Revenue impact issued**Prepared By:** Lisa Gezelter**Meeting Dates:** 4/27, 4/29**WHAT THE MEASURE DOES:**

Makes Early Learning Council responsible for leading cross-sector strategic planning for statewide early learning system. Establishes purposes of statewide early learning system. Modifies duties of Early Learning Council. Modifies membership and duties of State Interagency Coordinating Council. Modifies Employment Related Day Care subsidy program provisions. Requires that eligibility determinations consider the availability of the family to attend to the child, regardless of the family's physical presence. Requires payment to be based on enrollment rather than attendance. Makes Department of Human Services and Early Learning Council jointly responsible for program rules. Requires sliding scale for copayments, not to exceed seven percent of household income. Requires Early Learning Council to establish process for determining true cost of child care compared to market rate by July 1, 2022. Requires report to legislature by December 31, 2022. Repeals Oregon Department of Education's Early Learning Division. Establishes Department of Early Learning and Care (DELIC) as independent state agency, led by Governor-appointed Early Learning System Director beginning July 1, 2022. Establishes purposes of DELIC. Transfers responsibility to administer funds received pursuant to federal Child Care and Development Block Grant and Child Care and Development Fund, other federal funds and grants received by the State of Oregon, and resource and referral system from Office of Child Care to DELIC. Requires annual report to Legislative Fiscal Office. Allows family child care providers who are parties in contested case hearings to be represented by a labor union representative. Modifies provisions of Preschool Promise Program. Changes quality rating system to quality recognition system. Requires Superintendent of Public Instruction to collaborate with Early Learning System Director for provision of early intervention/early childhood special education programs. Requires State Board of Education to consult with Early Learning Council on promulgation of related rules. Requires Department of Education and Early Learning Division to develop and implement a plan that provides for seamless transfer of duties, functions, and powers. Requires Director of Oregon Department of Education to deliver to DELIC all records and property, as well as employees. Transfers fund balances. Transfers Employment Related Day Care subsidy program to DELIC beginning June 30, 2023 and requires Department of Human Services to deliver related records and property. Requires transition reports to legislature September 15, 2021, December 31, 2021, and September 30, 2022. Declares emergency, effective on passage.

ISSUES DISCUSSED:

- Policy purpose of the Department of Early Learning and Care
- Partnerships between Early Learning Division and school districts
- Use of different definitions for family
- Fiscal cost of the measure
- Enrollment as the basis for payment

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EFFECT OF AMENDMENT:

Modifies provisions governing Employment Related Day Care subsidy program. Requires that eligibility determinations consider the availability of the family to attend to the child, regardless of the family's physical presence. Requires payment to be based on enrollment rather than attendance.

BACKGROUND:

The Early Learning Division of the Oregon Department of Education was established by passage of House Bill 3234 in 2013. That measure transferred certain duties previously assigned to the Early Learning Council to the Division. Since that time, the Division has served to govern and manage most of the state's early child care and education programs and services.

House Bill 3073 B makes the Early Learning Division into an independent state agency, titles the new agency the Department of Early Learning and Care, modifies related definitions and duties, and transfers the Employment Related Day Care subsidy program currently managed by the Department of Human Services to the newly created agency.