

House Bill 2503

Sponsored by Representative NERON (Pre-session filed.)

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Expands eligibility for certain child care subsidy programs. Transfers rulemaking authority for programs from Department of Human Services to Early Learning Council. Directs council to adopt rules to implement changes to programs. Provides that when federal funds are involved, federal child subsidy program requirements control.

A BILL FOR AN ACT

1
2 Relating to child care subsidy programs; amending ORS 329A.500.

3 **Be It Enacted by the People of the State of Oregon:**

4 **SECTION 1.** ORS 329A.500 is amended to read:

5 329A.500. *[(1) The Department of Human Services, in consultation with the Early Learning Divi-*
6 *sion and the Office of Child Care, shall adopt rules for the operation of subsidy programs for*
7 *employment-related child care administered by the department. At a minimum, and taking into account*
8 *the availability of funds, the rules must provide the following:]*

9 *[(a) Subsidy recipients may be entitled to receive the subsidy for at least one year, regardless of*
10 *changes in employment. Rules adopted by the department may provide for termination of subsidy el-*
11 *igibility for reasons other than changes in employment during the one-year period. Exit eligibility and*
12 *copays must be structured to mitigate the financial impact of reduced subsidy support due to increased*
13 *income.]*

14 *[(b) Subsidy recipients who are enrolled in coursework, as defined by the department by rule, may*
15 *be entitled to receive the subsidy to enable the subsidy recipient to attend and participate in the*
16 *coursework provided all other eligibility requirements are met.]*

17 *[(c) Persons who are self-employed may qualify for subsidy programs provided all other eligibility*
18 *requirements are met.]*

19 *[(d) Subsidy recipients who voluntarily choose child care providers that meet minimum standards*
20 *established under the tiered quality rating and improvement system implemented under ORS 329A.261*
21 *may qualify for lower copayments. A fair representation of the subsidy recipients who qualify for lower*
22 *copayments must be persons with children who are from underserved racial, ethnic or minority popu-*
23 *lations. In addition, child care providers that meet specified minimum standards established under the*
24 *tiered quality rating and improvement system may receive an enhanced reimbursement under the sub-*
25 *sidy programs.]*

26 *[(e) Subsidy recipients must report a change of child care provider to the department during the*
27 *period a subsidy is being received.]*

28 **(1) The Early Learning Council shall adopt rules for the operation of child care subsidy**
29 **programs administered by the Early Learning Division.**

30 **(2) The rules adopted under this section must support a statewide plan for equitable ac-**

NOTE: Matter in **boldfaced** type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted. New sections are in **boldfaced** type.

1 cess to a supply of culturally diverse child care providers, consistent with the diverse needs
 2 of subsidy program participants. The council shall develop, by rule, factors for assessing
 3 whether the equitable access standard of this subsection has been met.

4 (3) At a minimum, and taking into account the availability of funds, the rules must pro-
 5 vide that:

6 (a) A child is eligible to participate in the subsidy program regardless of the citizenship
 7 or legal status of the child or the child's caretaker.

8 (b) A child who meets the eligibility requirements under subsection (4)(a) of this section
 9 is entitled to receive the child care subsidy for at least 12 months.

10 (c) If the child's caretaker is responsible for a copayment for the child care, the
 11 copayment shall be determined by the council on a sliding scale based on a percentage of the
 12 household income of the child's caretaker, not to exceed seven percent.

13 (d) The child's caretaker report any change in child care provider to the Early Learning
 14 Division during the period in which a subsidy is being received.

15 (e) The rate of reimbursement reflect the true cost of providing care.

16 (f) Subsidy program payments to child care providers be made in advance by no later
 17 than the fifth day of the month during which the child care will be provided and be based
 18 on enrollment.

19 (4) The rules developed under this section may provide that:

20 (a) A child's eligibility to participate in the subsidy program be based on the household
 21 income of the child's caretaker, the child's family circumstances or any other criteria es-
 22 tablished by the council.

23 (b) The subsidy be used for child care during the hours that the child's caretaker is un-
 24 available, regardless of whether the child's caretaker is physically present during the period
 25 of unavailability or whether the child care occurs in the child's home or at a different lo-
 26 cation.

27 (c) The child's caretaker be responsible for a copayment for the child care.

28 (d) The child care subsidy program enter into contracts directly with the child care pro-
 29 vider or provide vouchers for child care to the caretakers of eligible children, or both.

30 (e) A child care provider be eligible for a higher rate of reimbursement or other financial
 31 incentives for participating in quality improvement measures or for providing:

32 (A) Culturally or linguistically specific or appropriate care;

33 (B) Evening, overnight or weekend care;

34 (C) Care to children with diagnosed disabilities or delays;

35 (D) Care to a population that the council has identified by rule as historically having an
 36 inadequate child care provider supply; or

37 (E) Any other specialized care that justifies a higher rate of reimbursement, as deter-
 38 mined by the council on a case-by-case basis.

39 (5) In developing rules under this section, the council shall consider policies for increas-
 40 ing the stability and continuity of children's access to preferred child care providers.

41 [(2)] (6)(a) The [*department*] council shall work to meet federal recommendations for income el-
 42 igibility and market access in regard to employment-related child care administered by the [*depart-*
 43 *ment*] Early Learning Division.

44 (b) In all cases when federally granted funds are involved, the federal laws, rules and
 45 regulations applicable to the funds shall govern notwithstanding any provision to the con-

1 **trary in this section or any rules adopted by the council pursuant to this section.**

2 **(7) As used in this section, "caretaker" means an individual who is responsible for the**
3 **care, control and supervision of a child.**

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