

Requested by Representative POWER

**PROPOSED AMENDMENTS TO  
A-ENGROSSED HOUSE BILL 3073**

1 On page 11 of the printed A-engrossed bill, delete lines 3 through 45.

2 On page 12, delete lines 1 through 23 and insert:

3 **“SECTION 8.** ORS 329A.500 is amended to read:

4 *“329A.500. [(1) The Department of Human Services, in consultation with the*  
5 *Early Learning Division and the Office of Child Care, shall adopt rules for*  
6 *the operation of subsidy programs for employment-related child care adminis-*  
7 *tered by the department. At a minimum, and taking into account the avail-*  
8 *ability of funds, the rules must provide the following:]*

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

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

19 *“(c) Persons who are self-employed may qualify for subsidy programs pro-*  
20 *vided all other eligibility requirements are met.]*

21 *“(d) Subsidy recipients who voluntarily choose child care providers that*

1 *meet minimum standards established under the tiered quality rating and im-*  
2 *provement system implemented under ORS 329A.261 may qualify for lower*  
3 *copayments. A fair representation of the subsidy recipients who qualify for*  
4 *lower copayments must be persons with children who are from underserved*  
5 *racial, ethnic or minority populations. In addition, child care providers that*  
6 *meet specified minimum standards established under the tiered quality rating*  
7 *and improvement system may receive an enhanced reimbursement under the*  
8 *subsidy programs.]*

9 “[e) Subsidy recipients must report a change of child care provider to the  
10 department during the period a subsidy is being received.]

11 **“(1) As used in this section, ‘family’ means any individual who is**  
12 **responsible for the care, control and supervision of a child.**

13 **“(2) The Department of Human Services and the Early Learning**  
14 **Council shall adopt rules for the operation of the Employment Related**  
15 **Day Care subsidy program administered by the department.**

16 **“(3) The rules adopted under this section must support equitable**  
17 **access to a supply of diverse child care providers that meet the needs**  
18 **of families, as those needs are defined by the department by rule, in-**  
19 **cluding:**

20 **“(a) Cultural diversity;**

21 **“(b) Linguistic diversity;**

22 **“(c) Racial and ethnic diversity; and**

23 **“(d) Diversity of provider types.**

24 **“(4) The rules adopted under this section must provide that:**

25 **“(a) A child’s eligibility to participate in the Employment Related**  
26 **Day Care subsidy program must be based on:**

27 **“(A) The household income of a child’s family; and**

28 **“(B) Any other criteria established by the department.**

29 **“(b) A child must be able to receive care that:**

30 **“(A) Meets the child’s developmental needs; and**

1       **“(B) Enables the child’s family to complete activities that relate to**  
2 **family well-being, which may include the family’s work hours, educa-**  
3 **tion hours, commute time, study time and other activities that sup-**  
4 **port family well-being.**

5       **“(c) Payment to child care providers must be based on enrollment**  
6 **instead of attendance.**

7       **“(5) Taking into account the availability of funds, the rules adopted**  
8 **under this section must establish a sliding scale for copayment, with**  
9 **the requirement that a copayment may not exceed seven percent of**  
10 **the household income of the child’s family.**

11       **“(6) In developing rules under this section, the department shall**  
12 **consider policies for increasing the stability and continuity of a child’s**  
13 **access to a family’s preferred child care provider.**

14       **“(7) Rules adopted by the department under this section establish**  
15 **minimum requirements pertaining to the Employment Related Day**  
16 **Care subsidy program and may not be construed to preempt, limit or**  
17 **otherwise diminish the applicability of any policy, standard or collec-**  
18 **tive bargaining agreement that provides for an increased subsidy or a**  
19 **child care provider reimbursement amount under state or federal law.**

20       **“[(2)] (8)(a) The department shall work to meet federal recommendations**  
21 **for income eligibility and market access in regard to [employment-related**  
22 **child care] the Employment Related Day Care subsidy program admin-**  
23 **istered by the department.**

24       **“(b) Notwithstanding any provision of this section or any rule**  
25 **adopted by the department pursuant to this section, the laws and**  
26 **regulations applicable to any federal funds shall govern when any as-**  
27 **pect of child care is funded by federal funds.”.**

28       On page 13, delete lines 1 and 2 and insert:

29       **“SECTION 9. (1) The amendments to ORS 329A.500 and 329A.505 by**  
30 **sections 8 and 8a of this 2021 Act become operative on October 1, 2021.**

1       “(2) Notwithstanding the operative date specified in subsection (1)  
2 of this section, the Department of Human Services and the Early  
3 Learning Council may take any action before the operative date spec-  
4 ified in subsection (1) of this section that is necessary to enable the  
5 department and council to adopt rules as required under ORS 329A.500  
6 (4)(c) and (5) no later than October 1, 2021.”.

7       On page 59, delete lines 25 through 45.

8       On page 60, delete lines 1 through 38 and insert:

9       “**SECTION 73.** ORS 329A.500, as amended by section 8 of this 2021 Act,  
10 is amended to read:

11       “329A.500. (1) As used in this section, ‘family’ means any individual who  
12 is responsible for the care, control and supervision of a child.

13       “(2) The [*Department of Human Services and the*] Early Learning Council  
14 shall adopt rules for the operation of the Employment Related Day Care  
15 subsidy program administered by the Department **of Early Learning and**  
16 **Care.**

17       “(3) The rules adopted under this section must support equitable access  
18 to a supply of diverse child care providers that meet the needs of families,  
19 as those needs are defined by the [*department*] **council** by rule, including:

20       “(a) Cultural diversity;

21       “(b) Linguistic diversity;

22       “(c) Racial and ethnic diversity; and

23       “(d) Diversity of provider types.

24       “(4) The rules adopted under this section must provide that:

25       “(a) A child’s eligibility to participate in the Employment Related Day  
26 Care subsidy program must be based on:

27       “(A) The household income of a child’s family; and

28       “(B) Any other criteria established by the [*department*] **council.**

29       “(b) A child must be able to receive care that:

30       “(A) Meets the child’s developmental needs; and

1 “(B) Enables the child’s family to complete activities that relate to family  
2 well-being, which may include the family’s work hours, education hours,  
3 commute time, study time and other activities that support family well-being.

4 “(c) Payment to child care providers must be based on enrollment instead  
5 of attendance.

6 “(d) **A child care provider may be eligible to receive a higher rate  
7 of reimbursement or other financial incentives for:**

8 “(A) **Participating in quality improvement measures;**

9 “(B) **Providing culturally or linguistically specific or appropriate  
10 care;**

11 “(C) **Providing evening, overnight or weekend care;**

12 “(D) **Providing care to children with a diagnosed disability;**

13 “(E) **Providing infant or toddler care;**

14 “(F) **Providing care to a population that has been identified as his-  
15 torically having an inadequate child care provider supply; or**

16 “(G) **Providing any other specialized care that justifies a higher rate  
17 of reimbursement.**

18 “(5) Taking into account the availability of funds, the rules adopted under  
19 this section [*must establish*]:

20 “(a) **Must establish** a sliding scale for copayment, with the requirement  
21 that a copayment may not exceed seven percent of the household income of  
22 the child’s family.

23 “(b) **Must provide that eligibility to participate in the Employment  
24 Related Day Care subsidy program:**

25 “(A) **May not be based on the citizenship or legal status of a child  
26 or a child’s family; and**

27 “(B) **Shall, for a child who met the initial eligibility requirements  
28 prescribed under subsection (4) of this section, continue for a mini-  
29 mum of 12 months from the date of initial eligibility unless the child’s  
30 family leaves the state or requests a termination of benefits or for any**

1 **other reason identified by the council. Rules adopted under this sub-**  
2 **paragraph may give priority to families receiving temporary assistance**  
3 **under the temporary assistance for needy families program described**  
4 **in ORS 412.006.**

5 **“(c) May provide that a determination of eligibility to participate**  
6 **in the Employment Related Day Care subsidy program consider the**  
7 **availability of family to attend to the child, regardless of the family’s**  
8 **physical presence.**

9 **“(6) In developing rules under this section, the [department] council shall**  
10 **consider policies for increasing the stability and continuity of a child’s ac-**  
11 **cess to a family’s preferred child care provider.**

12 **“(7) Rules adopted by the [department] council under this section estab-**  
13 **lish minimum requirements pertaining to the Employment Related Day Care**  
14 **subsidy program and may not be construed to preempt, limit or otherwise**  
15 **diminish the applicability of any policy, standard or collective bargaining**  
16 **agreement that provides for an increased subsidy or a child care provider**  
17 **reimbursement amount under state or federal law.**

18 **“(8)(a) The [department] council shall work to meet federal recommen-**  
19 **dations for income eligibility and market access in regard to the Employment**  
20 **Related Day Care subsidy program administered by the [department]**  
21 **council.**

22 **“(b) Notwithstanding any provision of this section or any rule adopted**  
23 **by the [department] council pursuant to this section, the laws and regu-**  
24 **lations applicable to the federal funds shall govern when any aspect of child**  
25 **care is funded by federal funds.”.**

26 **On page 66, line 19, delete “15” and insert “30”.**

27 **In line 24, after “Division” insert “, including any recommendations for**  
28 **legislation or other authority necessary for the collection of subsidy over-**  
29 **payments made under the program”.**

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