HB 2683 -2 STAFF MEASURE SUMMARY

House Committee On Rules

Prepared By:Matthew PerreaultMeeting Dates:4/18, 4/20

WHAT THE MEASURE DOES:

Provides that a child who has an open case in the child welfare system, notwithstanding family income or other eligibility criteria, is eligible to participate in the Employment Related Day Care Program.

REVENUE: No revenue impact FISCAL: Fiscal impact issued

ISSUES DISCUSSED:

- Transfer of administrative responsibility for Employment Related Day Care from Department of Human Services to Department of Early Learning and Care
- Subsidies allocated to foster care families for costs of infant and child care
- Estimated fiscal impact of measure
- Allowable uses of federal Child Care and Development Fund moneys
- Benefits of affordable child care

EFFECT OF AMENDMENT:

-2 Replaces the measure. Directs Early Learning Council to adopt rules establishing independent bases of eligibility for Employment Related Day Care based on family's household income; family's employment status; child or family's involvement with child welfare and related services; child or family's usage of homelessness, teen parent, or domestic violence services; and any other additional criteria established by the council. Directs Early Learning Council to adopt rules providing eligibility criteria for children and families receiving child welfare and related services by July 1, 2025, and those receiving homelessness, teen parent, or domestic violence services by July 1, 2027.

REVENUE: No revenue impact FISCAL: May have fiscal impact, but no statement yet issued

BACKGROUND:

The Employment Related Day Care (ERDC) program provides subsidized access to child care for families with working parents. Although the program is currently operated by the Department of Human Services (DHS), it will be turned over to the newly created Department of Early Learning and Care on July 1, 2023. Oregon law requires eligibility for ERDC to be considered based on family income and allows consideration of additional factors, such as whether parents are enrolled in school or the presence of a mental or medical health condition. The main source of funding for ERDC is the federally administered Child Care and Development Fund (CCDF) block grant, which is governed by federal regulations and a <u>state plan</u>. Federal regulations allow states to use CCDF funds to provide subsidized access to child care for vulnerable children such as those in foster care and other protective services, regardless of income or whether the family is engaged in work, education, or training. According to Oregon's state plan, the state does not waive the income eligibility threshold in these cases.

The child welfare system, overseen by the Child Welfare Division in DHS, encompasses the state's management of foster care, adoption services, residential treatment, shelter-care, child protective services, in-home family services, and other services for children under age 18 and their families.

House Bill 2683 expands access to ERDC for children who have an open case in the child welfare system without regard to income or other eligibility criteria.