

SB 1040 A STAFF MEASURE SUMMARY

Senate Committee On Labor and Business

Action Date: 03/23/23

Action: Do pass with amendments and requesting referral to Ways and Means. (Printed A-Engrossed.)

Vote: 5-0-0-0

Yeas: 5 - Bonham, Hansell, Jama, Patterson, Taylor

Fiscal: Fiscal impact issued

Revenue: No revenue impact

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Meeting Dates: 3/16, 3/21, 3/23

WHAT THE MEASURE DOES:

Defines "micro center." Directs Department of Early Learning and Care (DELIC) to create pilot program to develop a sustainable model for micro centers to provide affordable, high quality learning opportunities in Oregon. Requires DELIC to select three child care facilities to participate in pilot project and specifies criteria for selection of the facilities. Specifies minimum pilot program requirements that DELIC must develop. Directs DELIC to submit report on implementation of pilot program to the Legislative Assembly by September 15, 2025. Sunsets January 2, 2026. Declares emergency, takes effect July 1, 2023.

ISSUES DISCUSSED:

- Current child care program types in Oregon
- Examples of difficulties finding child care
- Child care access as barrier to workforce recruitment and retention
- Employment Related Day Care program reimbursement rates

EFFECT OF AMENDMENT:

Replaces the measure.

BACKGROUND:

In 2021, the Legislative Assembly enacted House Bill 3073. HB 3073 created the Department of Early Learning and Care (DELIC) and made changes to the Employment Related Day Care program (ERDC). The Department is currently scheduled to be established on July 1, 2023. DELIC is intended to expand and strengthen early learning systems in Oregon. Currently, the ERDC is housed within the Oregon Department of Human Services, but will transfer to DELIC by July 1, 2023. The ERDC is a subsidy program that helps working families pay for child care and helps families find child care.

Oregon requires child care providers to be licensed, unless they meet the criteria for exemption from licensure. Oregon currently offers home-based residential child care and center-based commercial child care licensure.

Studies show that Oregon has a lack of child care, what is also known as child care deserts. A study by the Oregon Early Learning division, titled Oregon's Child Care Deserts 2020: Mapping Supply by Age Group and Percentage of Publicly Funded Slots, defined these "deserts" as having more than three children per regulated child care slot by county. This study found that as of March 1, 2020, every Oregon county is a child care desert for families with infants and toddlers and that 25 counties are child care deserts for families with preschool-age children.

Senate Bill 1040 A directs the Department of Early Learning and Care to create a pilot program to develop a sustainable model for micro centers to provide affordable, high quality learning opportunities in Oregon and defines "micro center."