

## HOUSE AMENDMENTS TO HOUSE BILL 2683

By COMMITTEE ON RULES

April 25

- 1 On page 1 of the printed bill, line 2, after the semicolon insert “creating new provisions; and”.
- 2 Delete lines 5 through 31 and delete pages 2 through 4 and insert:
- 3 **“SECTION 1.** ORS 329A.500 is amended to read:
- 4 “329A.500. (1) As used in this section, ‘family’ means any individual who is responsible for the
- 5 care, control and supervision of a child.
- 6 “(2) The Department of Human Services and the Early Learning Council shall adopt rules for
- 7 the operation of the Employment Related Day Care subsidy program administered by the depart-
- 8 ment.
- 9 “(3) The rules adopted under this section must support equitable access to a supply of diverse
- 10 child care providers that meet the needs of families, as those needs are defined by the department
- 11 by rule, including:
- 12 “(a) Cultural diversity;
- 13 “(b) Linguistic diversity;
- 14 “(c) Racial and ethnic diversity; and
- 15 “(d) Diversity of provider types.
- 16 “[*(4) The rules adopted under this section must provide that:*]
- 17 “[*(a) A child’s eligibility to participate in the Employment Related Day Care subsidy program must*
- 18 *be based on:*]
- 19 “[*(A) The household income of a child’s family; and*]
- 20 “[*(B) Any other criteria established by the department.*]
- 21 **“(4) The council shall adopt rules establishing that:**
- 22 **“(a) Each of the following subparagraphs constitutes an independent basis of eligibility**
- 23 **for a child to participate in the Employment Related Day Care subsidy program:**
- 24 **“(A) The household income of a child’s family;**
- 25 **“(B) The child’s family’s employment, search for employment or enrollment in an edu-**
- 26 **cation or training program;**
- 27 **“(C) The child’s or child’s family’s use of, or risk of needing to use, protective services,**
- 28 **including, but not limited to, child welfare services, child abuse prevention services, family**
- 29 **reunification services, foster care services or subsidized guardianship services;**
- 30 **“(D) The child’s or child’s family’s use of, or risk of needing to use, homelessness ser-**
- 31 **vices, teen parent services or domestic violence services; or**
- 32 **“(E) Any other criteria established by the council.**
- 33 “(b) A child must be able to receive care that:
- 34 “(A) Meets the child’s developmental, disability and neurodiversity needs; and
- 35 “(B) Enables the child’s family to complete activities that relate to family well-being, which may

1 include the family’s work hours, education hours, commute time, study time and other activities that  
2 support family well-being.

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

4 “(d) A child’s family may qualify for an incentive if the family voluntarily chooses a child care  
5 provider that participates in the quality recognition and improvement system established under ORS  
6 329A.261. A fair representation of the recipients who qualify for incentives must be families with  
7 children who are from underserved racial, ethnic or minority populations. In addition, child care  
8 providers that participate in the quality recognition and improvement system may receive financial  
9 incentives under the subsidy programs in accordance with criteria established by rule.

10 “(5) Taking into account the availability of funds, the rules adopted under this section must es-  
11 tablish a sliding scale for copayment, with the requirement that a copayment may not exceed seven  
12 percent of the household income of the child’s family.

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

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

20 “(8)(a) The department shall work to meet federal recommendations for income eligibility and  
21 market access in regard to the Employment Related Day Care subsidy program administered by the  
22 department.

23 “(b) Notwithstanding any provision of this section or any rule adopted by the department pur-  
24 suant to this section, the laws and regulations applicable to any federal funds shall govern when  
25 any aspect of child care is funded by federal funds.

26 “**SECTION 2.** ORS 329A.500, as amended by section 73, chapter 631, Oregon Laws 2021, and  
27 section 25, chapter 27, Oregon Laws 2022, is amended to read:

28 “329A.500. (1) As used in this section, ‘family’ means any individual who is responsible for the  
29 care, control and supervision of a child.

30 “(2) The Early Learning Council shall adopt rules for the operation of the Employment Related  
31 Day Care subsidy program and for other subsidy programs administered by the Department of Early  
32 Learning and Care.

33 “(3) The rules adopted under this section must support equitable access to a supply of diverse  
34 subsidized care facilities that meet the needs of families, as those needs are defined by the council  
35 by rule, including:

36 “(a) Cultural diversity;

37 “(b) Linguistic diversity;

38 “(c) Racial and ethnic diversity; and

39 “(d) Diversity of subsidized care facility types.

40 “[*4*] *The rules adopted under this section must provide that:*]

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

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

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

45 “**(4) The council shall adopt rules establishing that:**

1       “(a) Each of the following subparagraphs constitutes an independent basis of eligibility  
2 for a child to participate in the Employment Related Day Care subsidy program:

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

4       “(B) The child’s family’s employment, search for employment or enrollment in an edu-  
5 cation or training program;

6       “(C) The child’s or child’s family’s use of, or risk of needing to use, protective services,  
7 including, but not limited to, child welfare services, child abuse prevention services, family  
8 reunification services, foster care services or subsidized guardianship services;

9       “(D) The child’s or child’s family’s use of, or risk of needing to use, homelessness ser-  
10 vices, teen parent services or domestic violence services; or

11       “(E) Any other criteria established by the council.

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

13       “(A) Meets the child’s developmental, disability and neurodiversity needs; and

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

17       “(c) Payment to subsidized care facilities must be based on enrollment instead of attendance.

18       “(d) A child’s family may qualify for an incentive if the family voluntarily chooses a subsidized  
19 care facility that participates in the quality recognition and improvement system established under  
20 ORS 329A.261. A fair representation of the recipients who qualify for incentives must be families  
21 with children who are from underserved racial, ethnic or minority populations. In addition, subsi-  
22 dized care facilities that participate in the quality recognition and improvement system may receive  
23 financial incentives under the subsidy programs in accordance with criteria established by rule.

24       “(e) A child care facility is not eligible to be a subsidized care facility and to receive a re-  
25 imbursement under the subsidy program unless each subject individual described in ORS 329A.030  
26 (10)(d) who operates, resides in or may have unsupervised contact with children at the subsidized  
27 care facility that provides or will provide subsidized care to the person’s child is enrolled in the  
28 Central Background Registry under ORS 329A.030.

29       “(f) A subsidized care facility may be eligible to receive a higher rate of reimbursement or other  
30 financial incentives for:

31       “(A) Participating in quality improvement measures;

32       “(B) Providing culturally or linguistically specific or appropriate care;

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

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

35       “(E) Providing infant or toddler care;

36       “(F) Providing care to a population that has been identified as historically having an inadequate  
37 child care facility supply; or

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

39       “(5) Taking into account the availability of funds, the rules adopted under this section:

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

42       “(b) Must provide that eligibility to participate in the Employment Related Day Care subsidy  
43 program:

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

45       “(B) Shall, for a child who met the initial eligibility requirements prescribed under subsection

1 (4) of this section, continue for a minimum of 12 months from the date of initial eligibility unless the  
2 child's family leaves this state or requests a termination of benefits or for any other reason identi-  
3 fied by the council. Rules adopted under this subparagraph shall give priority to families receiving  
4 temporary assistance under the temporary assistance for needy families program described in ORS  
5 412.006.

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

9 "(6) In developing rules under this section, the council shall consider policies for increasing the  
10 stability and continuity of a child's access to a family's preferred child care facility.

11 "(7) Rules adopted by the council under this section establish minimum requirements pertaining  
12 to the Employment Related Day Care subsidy program and may not be construed to preempt, limit  
13 or otherwise diminish the applicability of any policy, standard or collective bargaining agreement  
14 that provides for an increased subsidy or a subsidized care facility reimbursement amount under  
15 state or federal law.

16 "(8)(a) The council shall work to meet federal recommendations for income eligibility and market  
17 access in regard to the Employment Related Day Care subsidy program administered by the council.

18 "(b) Notwithstanding any provision of this section or any rule adopted by the council pursuant  
19 to this section, the laws and regulations applicable to any federal funds shall govern when any as-  
20 pect of child care is funded by federal funds.

21 "**SECTION 3. (1) The Early Learning Council shall develop and implement rules providing**  
22 **criteria for eligibility based on ORS 329A.500 (4)(a)(C) no later than July 1, 2025.**

23 "**(2) The council shall develop and implement rules providing criteria for eligibility based**  
24 **on ORS 329A.500 (4)(a)(D) no later than July 1, 2027."**