

DRAFT

SUMMARY

Digest: Tells DELC to provide information to some people who are looking for child care. Allows ODHS to provide that information on behalf of DELC. Directs DELC, with ODE and TSPC, to review background checks for people who work with kids and submit a report to the legislature. Takes effect when the Governor signs it. (Flesch Readability Score: 69.3).

Directs the Department of Early Learning and Care to provide standardized information on all publicly funded early learning and care programs and resources available in this state to people who apply for or are placed on the waitlist for the Employment Related Day Care subsidy program. Allows the Early Learning System Director to delegate this responsibility to the Department of Human Services by interagency agreement with the Director of Human Services.

Directs the Department of Early Learning and Care, in consultation with the Department of Education and the Teacher Standards and Practices Commission, to review and develop recommendations on background check requirements for publicly funded staff working under the jurisdiction of these agencies and submit a report to the interim committees of the Legislative Assembly related to education and early learning and care no later than September 15, 2026.

Declares an emergency, effective on passage.

A BILL FOR AN ACT

Relating to the development of children; creating new provisions; amending ORS 326.440 and 329A.500; and declaring an emergency.

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

INFORMATION FOR FAMILIES UNDER EMPLOYMENT RELATED DAY CARE PROGRAM

SECTION 1. ORS 326.440 is amended to read:

326.440. The Early Learning System Director and the Director of Human Services may delegate to each other by interagency agreement any duties, functions or powers granted to the Department of Early Learning and Care or the Department of Human Services, as the directors deem necessary for the efficient and effective operation of the respective functions of the departments, including:

(1) Eligibility determinations for programs established under either department.

(2) The provision of standardized information to families seeking early learning and care.

[(2)] (3) Administrative proceedings, including contested case hearings and judicial reviews.

[(3)] (4) The authority to make or receive payments.

[(4)] (5) The recovery of erroneous payments or of overpayments.

SECTION 2. ORS 329A.500 is amended to read:

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

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

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

(a) Cultural diversity;

(b) Linguistic diversity;

(c) Racial and ethnic diversity; and

(d) Diversity of subsidized care facility types.

(4) The council shall adopt rules establishing that:

(a) Each of the following subparagraphs constitutes an independent basis of eligibility for a child to participate in the Employment Related Day Care

1 subsidy program:

2 (A) The household income of a child's family;

3 (B) The child's family's employment, search for employment or enrollment
4 in an education or training program;

5 (C) The child's or child's family's use of, or risk of needing to use, pro-
6 tective services, including, but not limited to, child welfare services, child
7 abuse prevention services, family reunification services, foster care services
8 or subsidized guardianship services;

9 (D) The child's or child's family's use of, or risk of needing to use,
10 homelessness services, 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;
14 and

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

18 (c) Payment to subsidized care facilities must be:

19 (A) Based on enrollment instead of attendance.

20 (B) Made by the department each month by a date specified by the Early
21 Learning Council by rule or, if paid on a date later than the date specified
22 by rule, paid in an amount that includes an additional nine percent of the
23 amount due unless the additional amount is not required to be paid under
24 exceptional circumstances, as identified by rule.

25 (d) A child's family may qualify for an incentive if the family voluntarily
26 chooses a subsidized care facility that participates in the quality recognition
27 and improvement system established under ORS 329A.261. A fair represen-
28 tation of the recipients who qualify for incentives must be families with
29 children who are from underserved racial, ethnic or minority populations. In
30 addition, subsidized care facilities that participate in the quality recognition
31 and improvement system may receive financial incentives under the subsidy

programs in accordance with criteria established by rule.

(e) A child care facility is not eligible to be a subsidized care facility and to receive a reimbursement under the subsidy program unless each subject individual described in ORS 329A.030 (11)(d) who operates, resides in or may have unsupervised contact with children at the subsidized care facility that provides or will provide subsidized care to the person's child is enrolled in the Central Background Registry under ORS 329A.030.

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

(A) Participating in quality improvement measures;

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

(C) Providing evening, overnight or weekend care;

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

(E) Providing infant or toddler care;

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

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

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

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

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

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

(B) Shall, for a child who met the initial eligibility requirements prescribed under subsection (4) of this section, continue for a minimum of 12 months from the date of initial eligibility unless the child's family leaves this state or requests a termination of benefits or for any other reason identified

by the council. Rules adopted under this subparagraph shall give priority to families receiving temporary assistance under the temporary assistance for needy families program described in ORS 412.006.

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

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

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

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

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

(9) The department shall, prior to referral to a generalized resource hotline, provide each individual who applies for the Employment Related Day Care subsidy program, or is placed on a waitlist for the program, standardized information on all publicly funded early learning and care programs and resources available in this state, including but not limited to:

(a) The Preschool Promise Program under ORS 329.172;

(b) The Oregon Prenatal to Kindergarten Program under ORS 329.172 to 329.200;

- (c) The infant and toddler care program under ORS 417.784;
- (d) Healthy Families Oregon programs under ORS 417.795;
- (e) Early Learning Hubs under ORS 417.827;
- (f) Resource and referral entities under ORS 329A.100 to 329A.135;
- (g) Relief nurseries; and
- (h) Oregon Head Start, prekindergarten and Early Head Start programs.

REVIEW OF BACKGROUND CHECK REQUIREMENTS

SECTION 3. (1) The Department of Early Learning and Care, in consultation with the Department of Education and the Teacher Standards and Practices Commission, shall:

(a) Review background check requirements for publicly funded staff under the jurisdiction of any one of these three agencies, including, but not limited to, requirements under ORS 181A.195, 326.603, 326.604, 326.607, 329A.030, 342.125, 342.143 and 342.223.

(b) Develop recommendations to streamline background check requirements under the laws listed in paragraph (a) of this subsection, reduce the number of different background checks that an individual must complete for similar purposes or programs and consolidate the distinct background check functions of these agencies into a centralized system that allows for cross-agency verification and recognition of an individual's background check status.

(c) Identify the number of individuals who are subject to background checks by more than one of these three agencies.

(d) Estimate the amount of additional resources necessary to develop and implement the centralized background check system described in paragraph (b) of this subsection.

(2) The recommendations under this section must comply with public records law, ORS 192.311 to 192.478, and federal law, including

1 the background check requirements for the Child Care Development
2 Fund under 45 C.F.R. 98.43.

3 (3) The Department of Early Learning and Care, in consultation
4 with the Department of Education and the Teacher Standards and
5 Practices Commission, shall submit a report on the subjects described
6 in subsection (1) of this section in the manner provided by ORS 192.245,
7 and shall include recommendations for legislation, to the interim
8 committees of the Legislative Assembly related to education and early
9 learning and care no later than September 15, 2026.

10 SECTION 4. Section 3 of this 2026 Act is repealed on January 2, 2027.

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12 CAPTIONS

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14 SECTION 5. The unit captions used in this 2026 Act are provided
15 only for the convenience of the reader and do not become part of the
16 statutory law of this state or express any legislative intent in the
17 enactment of this 2026 Act.

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19 EFFECTIVE DATE

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21 SECTION 6. This 2026 Act being necessary for the immediate pres-
22 ervation of the public peace, health and safety, an emergency is de-
23 clared to exist, and this 2026 Act takes effect on its passage.