

A-Engrossed House Bill 4057

Ordered by the House February 12
Including House Amendments dated February 12

Introduced and printed pursuant to House Rule 12.00. Pre-session filed (at the request of House Interim Committee on Early Childhood and Human Services for Representative Jules Walters)

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure. The statement includes a measure digest written in compliance with applicable readability standards.

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. (Flesch Readability Score 67.7).

[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

1
2 Relating to the development of children; creating new provisions; amending ORS 326.440 and
3 329A.500; and declaring an emergency.

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

5 6 INFORMATION FOR FAMILIES UNDER 7 EMPLOYMENT RELATED DAY CARE PROGRAM 8

9 **SECTION 1.** ORS 326.440 is amended to read:

10 326.440. The Early Learning System Director and the Director of Human Services may delegate
11 to each other by interagency agreement any duties, functions or powers granted to the Department
12 of Early Learning and Care or the Department of Human Services, as the directors deem necessary
13 for the efficient and effective operation of the respective functions of the departments, including:

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

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

16 [(2)] (3) Administrative proceedings, including contested case hearings and judicial reviews.

17 [(3)] (4) The authority to make or receive payments.

18 [(4)] (5) The recovery of erroneous payments or of overpayments.

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

NOTE: Matter in **boldfaced** type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted. New sections are in **boldfaced** type.

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

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

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

- 9 (a) Cultural diversity;
- 10 (b) Linguistic diversity;
- 11 (c) Racial and ethnic diversity; and
- 12 (d) Diversity of subsidized care facility types.

13 (4) The council shall adopt rules establishing that:

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

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

17 (B) The child’s family’s employment, search for employment or enrollment in an education or
18 training program;

19 (C) The child’s or child’s family’s use of, or risk of needing to use, protective services, including,
20 but not limited to, child welfare services, child abuse prevention services, family reunification ser-
21 vices, foster care services or subsidized guardianship services;

22 (D) The child’s or child’s family’s use of, or risk of needing to use, homelessness services, teen
23 parent services or domestic violence services; or

24 (E) Any other criteria established by the council.

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

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

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

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

31 (A) Based on enrollment instead of attendance.

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

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

42 (e) A child care facility is not eligible to be a subsidized care facility and to receive a re-
43 imbursement under the subsidy program unless each subject individual described in ORS 329A.030
44 (11)(d) who operates, resides in or may have unsupervised contact with children at the subsidized
45 care facility that provides or will provide subsidized care to the person’s child is enrolled in the

1 Central Background Registry under ORS 329A.030.

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

4 (A) Participating in quality improvement measures;

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

6 (C) Providing evening, overnight or weekend care;

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

8 (E) Providing infant or toddler care;

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

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

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

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

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

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

18 (B) Shall, for a child who met the initial eligibility requirements prescribed under subsection (4)
19 of this section, continue for a minimum of 12 months from the date of initial eligibility unless the
20 child's family leaves this state or requests a termination of benefits or for any other reason identi-
21 fied by the council. Rules adopted under this subparagraph shall give priority to families receiving
22 temporary assistance under the temporary assistance for needy families program described in ORS
23 412.006.

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

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

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

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

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

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

43 **(a) The Preschool Promise Program under ORS 329.172;**

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

45 **(c) The infant and toddler care program under ORS 417.784;**

- 1 (d) **Healthy Families Oregon programs under ORS 417.795;**
- 2 (e) **Early Learning Hubs under ORS 417.827;**
- 3 (f) **Resource and referral entities under ORS 329A.100 to 329A.135;**
- 4 (g) **Relief nurseries; and**
- 5 (h) **Oregon Head Start, prekindergarten and Early Head Start programs.**

6

7 **CAPTIONS**

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9 **SECTION 3. The unit captions used in this 2026 Act are provided only for the convenience**
10 **of the reader and do not become part of the statutory law of this state or express any leg-**
11 **islative intent in the enactment of this 2026 Act.**

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13 **EFFECTIVE DATE**

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15 **SECTION 4. This 2026 Act being necessary for the immediate preservation of the public**
16 **peace, health and safety, an emergency is declared to exist, and this 2026 Act takes effect**
17 **on its passage.**

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