

**A-Engrossed
House Bill 2015**

Ordered by the House March 20
Including House Amendments dated March 20

Sponsored by Representative KOTEK, Senator STEINER HAYWARD; Representatives EVANS, GORSEK, HUFFMAN, PILUSO, TAYLOR, VEGA PEDERSON, WHISNANT (Presession filed.)

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.

Directs Department of Human Services, in consultation with Early Learning Division and Office of Child Care, to adopt rules for subsidy programs for employment-related child care that, at minimum, provide for one year of eligibility regardless of change in employment, permit students enrolled in coursework and self-employed persons to receive subsidized employment-related child care, and provide for reduced copayments and incentive payments when child care provider meets specified minimum standards under tiered quality rating and improvement system.

Directs Early Learning Division, in consultation with Department of Human Services, to conduct study regarding methods to incentivize parents to select exempt family child care providers and to report on development and implementation of system of quality supports for exempt family child care providers to interim legislative committees on child welfare and childcare.

Permits Office of Child Care to perform inspections of premises of family child care providers when required under federal law.

Declares emergency, effective on passage.

A BILL FOR AN ACT

1
2 Relating to child care; creating new provisions; amending ORS 417.728; and declaring an emergency.

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

4 **SECTION 1. (1) The Department of Human Services, in consultation with the Early**
5 **Learning Division and the Office of Child Care, shall adopt rules for the operation of subsidy**
6 **programs for employment-related child care administered by the department. At a minimum,**
7 **and taking into account the availability of funds, the rules must provide the following:**

8 (a) Subsidy recipients may be entitled to receive the subsidy for at least one year, re-
9 gardless of changes in employment. Rules adopted by the department may provide for ter-
10 mination of subsidy eligibility for reasons other than changes in employment during the
11 one-year period. Exit eligibility and copays must be structured to mitigate the financial im-
12 pact of reduced subsidy support due to increased income.

13 (b) Subsidy recipients who are enrolled in coursework, as defined by the department by
14 rule, may be entitled to receive the subsidy to enable the subsidy recipient to attend and
15 participate in the coursework provided all other eligibility requirements are met.

16 (c) Persons who are self-employed may qualify for subsidy programs provided all other
17 eligibility requirements are met.

18 (d) Subsidy recipients who voluntarily choose child care providers that meet minimum
19 standards established under the tiered quality rating and improvement system implemented
20 under ORS 329A.261 may qualify for lower copayments. A fair representation of the subsidy

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 recipients who qualify for lower copayments must be persons with children who are from
2 underserved racial, ethnic or minority populations. In addition, child care providers that
3 meet specified minimum standards established under the tiered quality rating and improve-
4 ment system may receive an enhanced reimbursement under the subsidy programs.

5 (e) Subsidy recipients must report a change of child care provider to the department
6 during the period a subsidy is being received.

7 (2) The department shall work to meet federal recommendations for income eligibility
8 and market access in regard to employment-related child care administered by the depart-
9 ment.

10 **SECTION 2.** (1) The Office of Child Care may visit and conduct on-site inspections of the
11 premises of an exempt child care provider as defined by the Office of Child Care by rule
12 whenever such inspections are required under federal law. The inspections may be conducted
13 at any reasonable time and shall be limited to making a determination as to whether the
14 requirements of applicable federal law have been met.

15 (2) The Office of Child Care may, as a condition of finalizing the inspection, require im-
16 provements, corrections or other measures to ensure that the exempt child care provider
17 complies with the requirements of federal law for exempt child care providers.

18 **SECTION 3.** ORS 417.728 is amended to read:

19 417.728. (1) The Early Learning Council shall lead a joint effort with other state and local early
20 childhood partners to establish the policies necessary for a voluntary statewide early learning sys-
21 tem.

22 (2) The voluntary statewide early learning system shall be designed to achieve:

23 (a) The appropriate outcomes identified by the Early Learning Council with input from early
24 childhood partners; and

25 (b) Any other early childhood benchmark or outcome that demonstrates progress toward meeting
26 a target and that is identified by the Early Learning Council with input from early childhood part-
27 ners.

28 (3) The voluntary statewide early learning system shall include the following components:

29 (a) A process to identify as early as possible children and families who would benefit from early
30 learning services, including the required use of standardized screening and referral procedures used
31 throughout the voluntary statewide early learning system;

32 (b) A plan to support the identified needs of the child and family that coordinates case man-
33 agement personnel and the delivery of services to the child and family; and

34 (c) Services to support children who are zero through six years of age and their families who
35 give their express written consent, including:

36 (A) Screening, assessment and home visiting services pursuant to ORS 417.795;

37 (B) Specialized or targeted home visiting services;

38 (C) Community-based services such as relief nurseries, family support programs and parent ed-
39 ucation programs;

40 (D) Affordable, quality child care, as defined by the Early Learning Council;

41 (E) Preschool and other early education services;

42 (F) Health services for children and pregnant women;

43 (G) Mental health services;

44 (H) Alcohol and drug treatment programs that meet the standards promulgated by the Oregon
45 Health Authority pursuant to ORS 430.357;

1 (I) Developmental disability services; and

2 (J) Other state and local services.

3 (4) In establishing the definition of affordable, quality child care under subsection (3)(c)(D) of
4 this section, the Early Learning Council shall consult with child care providers and early childhood
5 educators. The definition established by the council shall support parental choice of child care pro-
6 vider and shall consider differences in settings and services, including but not limited to child care
7 for school-aged children, part-time care, odd-hour and respite care and factors of cultural appropri-
8 ateness and competence.

9 *[(5)(a) For the purpose of ensuring that affordable, quality home-based child care is available
10 through a subsidy program administered by the Department of Human Services, the Department of
11 Human Services and the Office of Child Care shall convene a permanent committee for professional
12 development and quality improvement. The committee must have equal representation by state agencies
13 and by union representatives of home-based child care providers that are exempt from licensure. The
14 committee shall develop a quality improvement system for child care providers that are exempt from
15 licensure and that receive subsidies. The system must use evidence-based approaches.]*

16 *[(b) Any quality standards established under the subsidy program described in paragraph (a) of
17 this subsection for child care providers that are exempt from licensure must be consistent with state
18 policies for child well-being and development and are subject to collective bargaining.]*

19 **(5) No later than July 1, 2016, for the purpose of ensuring that affordable, quality home-**
20 **based child care is available through a subsidy program administered by the Department of**
21 **Human Services, the Early Learning Division, in consultation with the department, shall**
22 **develop and implement a system of quality supports for exempt family child care providers**
23 **as defined in ORS 329A.430. The system may use evidence-based practices or best practices**
24 **that are consistent with state policies for child well-being and development and that are**
25 **subject to collective bargaining. The system must include professional development opportu-**
26 **nities for exempt family child care providers that are available for attendance in person and**
27 **through the Internet.**

28 (6) The Early Learning Council shall:

29 (a) Consolidate administrative functions relating to the voluntary statewide early learning sys-
30 tem, to the extent practicable, including but not limited to training and technical assistance, plan-
31 ning and budgeting.

32 (b) Adopt policies to establish training and technical assistance programs to ensure that per-
33 sonnel have skills in appropriate areas, including screening, family assessment, competency-based
34 home visiting skills, cultural and gender differences and other areas as needed.

35 (c) Identify research-based age-appropriate and culturally and gender appropriate screening and
36 assessment tools that would be used as appropriate in programs and services of the voluntary
37 statewide early learning system.

38 (d) Develop a plan for the implementation of a common data system for voluntary early child-
39 hood programs.

40 (e) Coordinate existing and new early childhood programs to provide a range of community-
41 based supports.

42 (f) Establish a common set of quality assurance standards to guide local implementation of all
43 elements of the voluntary statewide early learning system, including voluntary universal screening
44 and assessment, home visiting, staffing, evaluation and community-based services.

45 (g) Ensure that all plans for voluntary early childhood services are coordinated and consistent

1 with federal and state law, including but not limited to plans for Oregon prekindergarten programs,
2 federal Head Start programs, early childhood special education services, early intervention services
3 and public health services.

4 (h) Identify how the voluntary statewide early learning system for children who are zero through
5 six years of age will link with systems of support for older children and their families.

6 (i) During January of each odd-numbered year, report to the Governor and the Legislative As-
7 sembly on the voluntary statewide early learning system.

8 (7) The State Board of Education, the Employment Department, the Department of Human Ser-
9 vices and the Oregon Health Authority when adopting rules to administer voluntary early childhood
10 programs under their individual authority shall adopt rules:

11 (a) That are consistent with the requirements of the voluntary statewide early learning system
12 created under this section; and

13 (b) With the direction of the Early Learning Council.

14 (8) Information gathered in conjunction with the voluntary comprehensive screening and as-
15 sessment of children and their families may be used only for the following purposes:

16 (a) Providing services to children and families who give their express written consent;

17 (b) Providing statistical data that are not personally identifiable;

18 (c) Accomplishing other purposes for which the family has given express written consent; and

19 (d) Meeting the requirements of mandatory state and federal disclosure laws.

20 **SECTION 4. The Early Learning Division, in consultation with the Department of Human**
21 **Services, shall conduct a study regarding methods to incentivize parents to select exempt**
22 **family child care providers as defined in ORS 329A.430 who have participated in the system**
23 **of quality supports developed by the division under ORS 417.728 (5).**

24 **SECTION 5. No later than September 15, 2016, the Early Learning Division shall report**
25 **to the interim legislative committees on child welfare and child care on the development and**
26 **implementation of the system of quality supports for exempt family child care providers**
27 **pursuant to ORS 417.728 (5).**

28 **SECTION 6. This 2015 Act being necessary for the immediate preservation of the public**
29 **peace, health and safety, an emergency is declared to exist, and this 2015 Act takes effect**
30 **on its passage.**

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