## **Early Childhood Facilities**

#### Overview

In 2019 the Oregon legislature made historic investments in early learning funding. These investments will allow early learning programs to expand and enroll more children. New investments did not specify new funding or methods to pay for facilities acquisitions to accommodate expansion and the enrollment of new children to early learning programs. We are proposing that the ELD look at the projected enrollment in early learning programs over the next 10 years and provide recommendations to the legislature on ways to fund facility expansion.

### LC Concept – Early Learning Facilities Funding Study

Early learning and child care providers request \$\_\_\_\_\_ in state funding for the Early Learning Division (ELD) to conduct a study that provides an assessment of early learning facilities across the state. This study may be contracted out. The study shall evaluate whether the number of existing early learning facilities provide enough capacity for the implementation of the Student Success Act – and ensure that programs have the needed capacity for new enrollment of children for the next 10 years Oregon's publicly funded early care and education programs, including capacity in licensed child care to meet the need of ERDC-eligible families. It should also provide recommendations on existing funding streams and potential new funding streams that could help early care and education programs identify the best way to add facilities and classroom capacity in order to meet the anticipated new enrollment from passage of the Student Success Act and restoration of needed child care capacity post-COVID.

## Key Metrics/Data Analyzed to Assess Early Learning Facility Needs

- Those conducting the study may work with Early Learning Hubs, CCR&Rs and early learning providers to gain the following data and metrics needed.
- In talking with early care and education providers, determine barriers or challenges they've faced in expanding classroom capacity and challenges they have acquiring or funding new facilities or classroom space.
- Overview of current facilities in the state, by early care and education program, current capacity, and expected capacity needed to meet enrollment goals of the SSA, restoration of child care capacity, and future expansion needs.
- Determine if existing facilities are leased, or owned, by early care and education programs.
- Assessment on how facilities are currently funded and acquired by different early learning programs. Determine if existing methods and funding to acquire facilities will meet future needs.
- Overview of current need for early care and education facilities by Hub region.
- Analysis of renovations and repairs that are needed at existing early care and education facilities.

#### **Explore Funding Sources for Expanding Early Learning Facility Needs**

 Those conducting the study may work with the Treasures Office, LFO, DAS, ELD, Housing and Community Services and other state agencies as needed.

- Determine anticipated cost needed to provide facilities/classroom space to meet expansion goals of the Student Success Act and restoration of child care capacity post-COVID. Total cost and then broken down by county and Hub region.
- Determine if existing funding sources and methods for acquiring early learning facilities are sufficient to meet anticipated classroom capacity needs.
- Examine the possibility of using state backed bonding for the construction of early learning facilities. This should include all types of bonding including lottery and general obligation bonding.
- Look at how the state utilizes the LIFT program for housing to see if the ELD could operate a facilities program under that similar model.
- Determine if federal funding exists or is available to help with facility expansion.
- Review of promising practices in other states and regions to finance early childhood facilities.
- Recommendations for how to promote equitable access to facilities funding for culturally specific early care and education providers and providers in remote rural regions.
- Make recommendations about the use of state lottery and general obligation bonds, general funds, private loans, philanthropic funding.

# Report to Legislature

- By (September 1, 2023) the study shall be presented to the JWM Subcommittee on Education.
- Shall include data referenced above.
- The report shall include recommendations for funding options for facilities acquisitions.