

**FISCAL IMPACT OF PROPOSED LEGISLATION****Measure: HB 3201 A**81st Oregon Legislative Assembly – 2021 Regular Session  
Legislative Fiscal Office*Only Impacts on Original or Engrossed  
Versions are Considered Official*

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**Measure Description:**

Directs Early Learning Division to conduct study on childcare system of state and to report results of study to appropriate interim committee of Legislative Assembly.

**Government Unit(s) Affected:**

Housing and Community Services Department (HCSD), Legislative Fiscal Office (LFO), Oregon State Treasurer (OST), Department of Education (ODE), Bonding, Department of Administrative Services (DAS)

**Summary of Fiscal Impact:**

Costs related to the measure may require budgetary action - See analysis.

**Summary of Expenditure Impact:**

	<b>2021-23 Biennium</b>	<b>2023-25 Biennium</b>
General Fund	\$850,000	
<b>Total Funds</b>	<b>\$850,000</b>	<b>\$0</b>
Positions		
FTE		

**Analysis:** The measure directs the Oregon Department of Education (ODE), Early Learning Division (ELD) to conduct an assessment of childcare facilities that provide early childhood education; and identify gaps in facility capacity and needs over the next ten years. In addition, the study will identify funding options for expanding or acquiring new facilities.

ODE may and will likely contract with another entity to conduct the assessment. The assessment will include an overview by program and Hub region and the current and expected capacity needed in each Hub region. The assessment will also identify barriers and challenges of expanding capacity, determine how existing facilities were acquired or currently funded, analyze renovations and repairs needed to existing facilities, calculate anticipated cost of providing adequate facilities, and determine existing funding sources and methods for expanding overall capacity. New funding sources include state-backed bonding or the availability of federal funding to assist with facility expansion.

ODE states approximately \$600,000 General Fund will be needed to engage a consultant to develop the tools and perform the assessment. An additional \$250,000 General Fund is needed for a consultant to assess the capacity needed and to propose plans for creating capacity across the state.

The fiscal impact to Housing and Community Services Department, Department of Administrative Services, Oregon State Treasurer, and the Legislative Fiscal Office are estimated to be minimal.

This measure warrants a subsequent referral to the Joint Committee on Ways and Means for consideration of its budgetary impact on the State's General Fund.