

House Bill 2720

Sponsored by Representative ZIKA (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 **as introduced**.

Provides that registered or certified child care facility is commercial use of property for zoning purposes.

Creates income tax credit for owners of real property rented to certified child care facilities. Creates income tax credit for child care facilities with staff members who earn 18 or more clock hours of training related to child care. Creates income tax credit for child care facilities rated three stars or higher with quality rating and improvement system. Applies to tax years beginning on or after January 1, 2022, and before January 1, 2028.

Takes effect on 91st day following adjournment sine die.

A BILL FOR AN ACT

1
2 Relating to child care; creating new provisions; amending ORS 314.772, 318.031, 329A.030, 329A.250
3 and 329A.440; and prescribing an effective date.

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

5 **SECTION 1.** ORS 329A.440 is amended to read:

6 329A.440. [(1)] (1)(a) [A registered or certified family child care home shall be considered a resi-
7 dential use of property for zoning purposes. The] A registered or certified family child care home
8 [shall be] **is** a permitted use in all areas zoned for residential or commercial purposes, including
9 areas zoned for single-family dwellings.

10 (b) A [city or county] **local government, as defined in ORS 197.015**, may not enact or enforce
11 zoning ordinances prohibiting the use of a residential dwelling, located in an area zoned for resi-
12 dential or commercial use, as a registered or certified family child care home.

13 [(2)] (c) A [city or county may] **local government may not** impose zoning conditions on the es-
14 tablishment and maintenance of a registered or certified family child care home in an area zoned for
15 residential or commercial use [if the conditions are no] more restrictive than conditions imposed on
16 other residential dwellings in the same zone.

17 [(3)] (2) **Notwithstanding subsection (1) of this section**, a county may[:]

18 [(a) Allow a registered or certified family child care home in an existing dwelling in any area
19 zoned for farm use, including an exclusive farm use zone established under ORS 215.203;]

20 [(b) impose reasonable conditions on the establishment of a registered or certified family child
21 care home in an area zoned for farm use[; and]

22 [(c) Allow a division of land for a registered or certified family child care home in an exclusive
23 farm use zone only as provided in ORS 215.263 (9)].

24 [(4) This section applies only to a registered or certified family child care home where child care
25 is offered in the home of the provider to not more than 16 children, including children of the provider,
26 regardless of full-time or part-time status.]

27 (3)(a) **A registered or certified child care facility is a permitted use in all areas zoned to**
28 **allow any commercial uses.**

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 (b) A local government may not enact or enforce zoning ordinances prohibiting the use
 2 of a building located in an area zoned for commercial use as a registered or certified child
 3 care facility.

4 (c) A local government may not impose zoning conditions on the establishment and
 5 maintenance of a registered or certified child care facility in an area zoned for commercial
 6 use more restrictive than conditions imposed on other commercial uses in the same zone.

7 **SECTION 2.** Sections 3, 4 and 5 of this 2019 Act are added to and made a part of ORS
 8 chapter 315.

9 **SECTION 3.** (1) As used in this section:

10 (a) “Certified child care facility” means a child care facility that has been certified by the
 11 Office of Child Care under ORS 329A.280 or has been issued a temporary certification under
 12 ORS 329A.300.

13 (b) “Child care facility” has the meaning given that term in ORS 329A.250.

14 (2) A credit is allowed against taxes that are otherwise due under ORS chapter 316 or,
 15 if the taxpayer is a corporation, under ORS chapter 317 or 318 if the taxpayer is the owner
 16 of real property that is the subject of a rental agreement and a person other than the tax-
 17 payer operates a certified child care facility on the property.

18 (3) The credit allowed under this section is equal to 10 percent of the amount of rent paid
 19 to the taxpayer over a tax year under the terms of a written rental agreement.

20 (4) The credit allowed under this section may be claimed for the first tax year in which
 21 a child care facility is actually operated on the property and for the next succeeding year,
 22 but no credit is allowed under this section unless a certified child care facility was actually
 23 operated on the property on the last day of the tax year in which the credit is claimed.

24 (5) The credit allowed under this section may not be claimed by more than one taxpayer
 25 with respect to the same property during a tax year and may not be claimed by a taxpayer
 26 that is a parent or subsidiary of the tenant or is otherwise closely related to the tenant.

27 (6) The credit must be claimed on a form prescribed by the Department of Revenue that
 28 contains the information required by the department.

29 (7) The credit allowed under this section may not exceed the tax liability of the taxpayer
 30 for the tax year.

31 (8) Any tax credit otherwise allowable under this section that is not used by the taxpayer
 32 in a particular tax year may be carried forward and offset against the taxpayer’s tax liability
 33 for the next succeeding tax year. Any credit remaining unused in the next succeeding tax
 34 year may be carried forward and used in the second succeeding tax year, and likewise any
 35 credit not used in that second succeeding tax year may be carried forward and used in the
 36 third succeeding tax year but may not be carried forward for any tax year thereafter.

37 (9) A nonresident is allowed the credit under this section. The credit is computed in the
 38 same manner and is subject to the same limitations as the credit granted to a resident.
 39 However, the credit must be prorated using the proportion provided in ORS 316.117.

40 (10) If a change in the taxable year of the taxpayer occurs as described in ORS 314.085,
 41 or if the Department of Revenue terminates the taxpayer’s taxable year under ORS 314.440,
 42 the credit allowed by this section shall be prorated or computed in a manner consistent with
 43 ORS 314.085.

44 (11) If a change in the status of a taxpayer from resident to nonresident or from non-
 45 resident to resident occurs, the credit allowed by this section must be determined in a

1 manner consistent with ORS 316.117.

2 **SECTION 4.** (1) As used in this section:

3 (a) “Child care facility” has the meaning given that term in ORS 329A.250.

4 (b) “Staff member” means a person employed by a child care facility who may perform
5 some child care duties without being supervised by another employee.

6 (2) A credit against taxes that are otherwise due under ORS chapter 316 or, if the tax-
7 payer is a corporation, under ORS chapter 317 or 318, is allowed in the amount of \$500 for
8 each child care facility owned by the taxpayer if on the last day of the tax year:

9 (a) The child care facility is certified by the Office of Child Care under ORS 329A.280, or
10 has been issued a temporary certification under ORS 329A.300; and

11 (b) All of the staff members have received 18 or more clock hours of training related to
12 child care during the tax year, or any child care staff member employed for less than one
13 year has received at least 1.5 clock hours of training related to child care for each month
14 of employment.

15 (3) The credit allowed under this section may not exceed the tax liability of the taxpayer
16 for the tax year.

17 (4) The credit must be claimed on a form prescribed by the Department of Revenue that
18 contains the information required by the department.

19 (5) Any tax credit otherwise allowable under this section that is not used by the taxpayer
20 in a particular tax year may be carried forward and offset against the taxpayer’s tax liability
21 for the next succeeding tax year. Any credit remaining unused in the next succeeding tax
22 year may be carried forward and used in the second succeeding tax year, and likewise any
23 credit not used in that second succeeding tax year may be carried forward and used in the
24 third succeeding tax year but may not be carried forward for any tax year thereafter.

25 (6) A nonresident is allowed the credit under this section. The credit is computed in the
26 same manner and is subject to the same limitations as the credit granted to a resident.
27 However, the credit must be prorated using the proportion provided in ORS 316.117.

28 (7) If a change in the taxable year of the taxpayer occurs as described in ORS 314.085,
29 or if the Department of Revenue terminates the taxpayer’s taxable year under ORS 314.440,
30 the credit allowed by this section shall be prorated or computed in a manner consistent with
31 ORS 314.085.

32 (8) If a change in the status of a taxpayer from resident to nonresident or from nonres-
33 ident to resident occurs, the credit allowed by this section shall be determined in a manner
34 consistent with ORS 316.117.

35 **SECTION 5.** (1) As used in this section, “child care facility” has the meaning given that
36 term in ORS 329A.250.

37 (2) A credit against taxes that are otherwise due under ORS chapter 316 or, if the tax-
38 payer is a corporation, under ORS chapter 317 or 318, is allowed for each child care facility
39 owned by a taxpayer that is certified by the Office of Child Care under ORS 329A.280, or has
40 been issued a temporary certification under ORS 329A.300, and that maintains a three star
41 or higher rating with the quality rating and improvement system implemented under ORS
42 329A.261 on the last day of the tax year in which the credit is claimed. The credit allowed
43 shall be in the amount of \$50 multiplied by the average number of children cared for at the
44 child care facility during the last month of the tax year.

45 (3) The credit allowed under this section may not exceed the tax liability of the taxpayer

1 for the tax year.

2 (4) The credit must be claimed on a form prescribed by the Department of Revenue that
3 contains the information required by the department.

4 (5) Any tax credit otherwise allowable under this section that is not used by the taxpayer
5 in a particular tax year may be carried forward and offset against the taxpayer's tax liability
6 for the next succeeding tax year. Any credit remaining unused in the next succeeding tax
7 year may be carried forward and used in the second succeeding tax year, and likewise any
8 credit not used in that second succeeding tax year may be carried forward and used in the
9 third succeeding tax year but may not be carried forward for any tax year thereafter.

10 (6) A nonresident is allowed the credit under this section. The credit is computed in the
11 same manner and is subject to the same limitations as the credit granted to a resident.
12 However, the credit must be prorated using the proportion provided in ORS 316.117.

13 (7) If a change in the taxable year of the taxpayer occurs as described in ORS 314.085,
14 or if the Department of Revenue terminates the taxpayer's taxable year under ORS 314.440,
15 the credit allowed by this section shall be prorated or computed in a manner consistent with
16 ORS 314.085.

17 (8) If a change in the status of a taxpayer from resident to nonresident or from nonres-
18 ident to resident occurs, the credit allowed by this section shall be determined in a manner
19 consistent with ORS 316.117.

20 **SECTION 6.** ORS 314.772 is amended to read:

21 314.772. (1) Except as provided in ORS 314.766 (5)(b), the tax credits allowed or allowable to a
22 C corporation for purposes of ORS chapter 317 or 318 shall not be allowed to an S corporation. The
23 business tax credits allowed or allowable for purposes of ORS chapter 316 shall be allowed or are
24 allowable to the shareholders of the S corporation.

25 (2) In determining the tax imposed under ORS chapter 316, as provided under ORS 314.763, on
26 income of the shareholder of an S corporation, there shall be taken into account the shareholder's
27 pro rata share of business tax credit (or item thereof) that would be allowed to the corporation (but
28 for subsection (1) of this section) or recapture or recovery thereof. The credit (or item thereof), re-
29 capture or recovery shall be passed through to shareholders in pro rata shares as determined in the
30 manner prescribed under section 1377(a) of the Internal Revenue Code.

31 (3) The character of any item included in a shareholder's pro rata share under subsection (2)
32 of this section shall be determined as if such item were realized directly from the source from which
33 realized by the corporation, or incurred in the same manner as incurred by the corporation.

34 (4) If the shareholder is a nonresident and there is a requirement applicable for the business tax
35 credit that in the case of a nonresident the credit be allowed in the proportion provided in ORS
36 316.117, then that provision shall apply to the nonresident shareholder.

37 (5) As used in this section, "business tax credit" means the following credits: ORS 315.104
38 (forestation and reforestation), ORS 315.138 (fish screening, by-pass devices, fishways), ORS 315.141
39 (biomass production for biofuel), ORS 315.156 (crop gleaning), ORS 315.164 and 315.169 (agriculture
40 workforce housing), ORS 315.176 (bovine manure), ORS 315.204 (dependent care assistance), ORS
41 315.208 (dependent care facilities), ORS 315.213 (contributions for child care), ORS 315.237 (employee
42 and dependent scholarships), ORS 315.271 (individual development accounts), ORS 315.304 (pollution
43 control facility), ORS 315.326 (renewable energy development contributions), ORS 315.331 (energy
44 conservation projects), ORS 315.336 (transportation projects), ORS 315.341 (renewable energy re-
45 source equipment manufacturing facilities), ORS 315.354 and 469B.151 (energy conservation facili-

1 ties), ORS 315.506 (tribal taxes on reservation enterprise zones and reservation partnership zones),
 2 ORS 315.507 (electronic commerce), ORS 315.514 (film production development contributions), ORS
 3 315.523 (employee training programs), ORS 315.533 (low income community jobs initiative), ORS
 4 315.593 (short line railroads), ORS 315.640 (university venture development funds), ORS 315.643
 5 (Opportunity Grant Fund contributions), ORS 315.675 (Trust for Cultural Development Account
 6 contributions), ORS 317.097 (loans for affordable housing), ORS 317.124 (long term enterprise zone
 7 facilities), ORS 317.147 (loans for agriculture workforce housing), ORS 317.152 (qualified research
 8 expenses) and ORS 317.154 (alternative qualified research expenses) and section 9, chapter 774,
 9 Oregon Laws 2013 (alternative fuel vehicle contributions), **and section 3 of this 2021 Act (leases
 10 to certified child care facilities), section 4 of this 2021 Act (child care facility staff member
 11 training) and section 5 of this 2021 Act (quality rated child care facilities).**

12 **SECTION 7.** ORS 318.031 is amended to read:

13 318.031. It being the intention of the Legislative Assembly that this chapter and ORS chapter
 14 317 shall be administered as uniformly as possible (allowance being made for the difference in im-
 15 position of the taxes), ORS 305.140 and 305.150, ORS chapter 314 and the following sections are in-
 16 corporated into and made a part of this chapter: ORS 315.104, 315.141, 315.156, 315.176, 315.204,
 17 315.208, 315.213, 315.304, 315.326, 315.331, 315.336, 315.506, 315.507, 315.523, 315.533, 315.593 and
 18 315.643 **and sections 3, 4 and 5 of this 2021 Act** (all only to the extent applicable to a corporation)
 19 and ORS chapter 317.

20 **SECTION 8. Sections 3, 4 and 5 of this 2021 Act and the amendments to ORS 314.772 and**
 21 **318.031 by sections 6 and 7 of this 2021 Act apply to tax years beginning on or after January**
 22 **1, 2022, and before January 1, 2028.**

23 **SECTION 9.** ORS 329A.250 is amended to read:

24 329A.250. As used in ORS 329A.030 and 329A.250 to 329A.450, unless the context requires oth-
 25 erwise:

26 (1) "Babysitter" means a person who goes into the home of a child to give care during the
 27 temporary absence of the parent or legal guardian or custodian.

28 (2) "Certification" means the certification that is issued under ORS 329A.280 by the Office of
 29 Child Care to a family child care home, child care center or other child care facility.

30 (3) "Child" means a child under 13 years of age or a child under 18 years of age who has special
 31 needs or disabilities and requires a level of care that is above normal for the child's age.

32 (4)(a) [*Subject to ORS 329A.440,*] "Child care" means the care, supervision and guidance on a
 33 regular basis of a child, unaccompanied by a parent, guardian or custodian, provided to a child
 34 during a part of the 24 hours of the day, in a place other than the child's home, with or without
 35 compensation.

36 (b) "Child care" does not include care provided:

37 [(a)] (A) In the home of the child;

38 [(b)] (B) By the child's parent, guardian, or person acting in loco parentis;

39 [(c)] (C) By a person related to the child by blood or marriage within the fourth degree as de-
 40 termined by civil law;

41 [(d)] (D) On an occasional basis by a person not ordinarily engaged in providing child care;

42 [(e)] (E) By providers of medical services;

43 [(f)] (F) By a babysitter;

44 [(g)] (G) By a person who cares for children from only one family other than the person's own
 45 family;

1 *(h)* **(H)** By a person who cares for no more than three children other than the person’s own
2 children; or

3 *(i)* **(I)** By a person who is a member of the child’s extended family, as determined by the office
4 on a case-by-case basis.

5 (5) “Child care facility” means any facility that provides child care to children, including a day
6 nursery, nursery school, child care center, certified or registered family child care home or similar
7 unit operating under any name, but not including any:

8 (a) Preschool recorded program.

9 (b) Facility providing care for school-age children that is primarily a single enrichment activity,
10 for eight hours or less a week.

11 (c) Facility providing care that is primarily group athletic or social activities sponsored by or
12 under the supervision of an organized club or hobby group.

13 (d) Facility operated by:

14 (A) A school district as defined in ORS 332.002;

15 (B) A political subdivision of this state; or

16 (C) A governmental agency.

17 (e) Residential facility licensed under ORS 443.400 to 443.455.

18 (f) Babysitters.

19 (g) Facility operated as a parent cooperative for no more than four hours a day.

20 (h) Facility providing care while the child’s parent remains on the premises and is engaged in
21 an activity offered by the facility or in other nonwork activity.

22 (i) Facility operated as a school-age recorded program.

23 (6) “Family” has the meaning given that term in ORS 329.145.

24 (7) “Occasional” means that care is provided for no more than 70 days in any calendar year.

25 (8) “Parent cooperative” means a child care program in which:

26 (a) Care is provided by parents on a rotating basis;

27 (b) Membership in the cooperative includes parents;

28 (c) There are written policies and procedures; and

29 (d) A board of directors that includes parents of the children cared for by the cooperative con-
30 trols the policies and procedures of the program.

31 (9) “Preschool recorded program” means a facility providing care for preschool children that is
32 primarily educational for four hours or less per day and where no child is present at the facility for
33 more than four hours per day.

34 (10) “Record” means the record that is issued under ORS 329A.255 to a preschool recorded
35 program or under ORS 329A.257 to a school-age recorded program.

36 (11) “Registration” means the registration that is issued under ORS 329A.330 by the Office of
37 Child Care to a family child care home where care is provided in the family living quarters of the
38 provider’s home.

39 (12) “School age” means of an age eligible to be enrolled in kindergarten or above on or before
40 the first day of the current school year.

41 (13) “School-age recorded program” means a program for school-age children:

42 (a) That is not operated by a school district as defined in ORS 332.002;

43 (b) That is not required to be certified under ORS 329A.280 or registered under ORS 329A.330;
44 and

45 (c) In which youth development activities are provided to children during hours that school is

1 not in session and does not take the place of a parent’s care.

2 (14) “Youth development activities” means care, supervision or guidance that is intended for
 3 enrichment, including but not limited to teaching skills or proficiency in physical, social or educa-
 4 tional activities such as tutoring, music lessons, social activities, sports and recreational activities.

5 **SECTION 10.** ORS 329A.030 is amended to read:

6 329A.030. (1) The Office of Child Care shall establish a Central Background Registry and may
 7 maintain information in the registry through electronic records systems.

8 (2)(a) A subject individual shall apply to and must be enrolled in the Central Background Reg-
 9 istry as part of the individual’s application to operate a program or serve in a position described in
 10 subsection (10) of this section.

11 (b) An individual who has been the subject of a founded or substantiated report of child abuse
 12 shall apply to and be enrolled in the Central Background Registry prior to providing any of the
 13 types of care identified in ORS 329A.250 [(4)(a), (g) or (h)] **(4)(a)(A), (G) or (H)** if:

14 (A) The child abuse occurred on or after January 1, 2017, and involved a child who died or
 15 suffered serious physical injury, as defined in ORS 161.015; or

16 (B) The child abuse occurred on or after September 1, 2019, and involved any child for whom
 17 the individual was providing child care, as defined in ORS 329A.250 (4), or care identified in ORS
 18 329A.250 [(4)(a), (c), (f), (g), (h) or (i)] **(4)(a)(A), (C), (F), (G), (H) or (I)**.

19 (c) Notwithstanding paragraph (a) of this subsection, an individual described in paragraph (b)(B)
 20 of this subsection is not required to enroll in the Central Background Registry if more than seven
 21 years has elapsed since the date of the child abuse determination.

22 (3)(a) Upon receiving an application for enrollment in the Central Background Registry, the of-
 23 fice shall complete:

24 (A) A criminal records check under ORS 181A.195;

25 (B) A criminal records check of other registries or databases in accordance with rules adopted
 26 by the Early Learning Council;

27 (C) A child abuse and neglect records check in accordance with rules adopted by the council;
 28 and

29 (D) A foster care certification check and an adult protective services check in accordance with
 30 rules adopted by the council.

31 (b) In addition to the information that the office is required to check under paragraph (a) of this
 32 subsection, the office may consider any other information obtained by the office that the office, by
 33 rule, determines is relevant to enrollment in the Central Background Registry.

34 (4)(a) The office shall enroll the individual in the Central Background Registry if the individual:

35 (A) Is determined to have no criminal, child abuse and neglect, negative adult protective ser-
 36 vices or negative foster home certification history, or to have dealt with the issues and provided
 37 adequate evidence of suitability for the registry;

38 (B) Has paid the applicable fee established pursuant to ORS 329A.275; and

39 (C) Has complied with the rules of the Early Learning Council adopted pursuant to this section.

40 (b) Notwithstanding subsection (3) of this section and paragraph (a) of this subsection, the office
 41 may enroll an individual in the registry if the Department of Human Services has completed a
 42 background check on the individual and the individual has received approval from the department
 43 for purposes of providing child care.

44 (5)(a) Notwithstanding subsections (3) and (4) of this section, the office may not enroll an indi-
 45 vidual in the Central Background Registry if:

- 1 (A) The individual has a disqualifying condition as defined in rules adopted by the council; or
 2 (B) The individual is an exempt prohibited individual, as provided by ORS 329A.252.
- 3 (b) If an individual prohibited from enrolling in the registry as provided by this subsection is
 4 enrolled in the registry, the office shall remove the individual from the registry.
- 5 (6)(a) The office may conditionally enroll an individual in the Central Background Registry
 6 pending the results of a nationwide criminal records check through the Federal Bureau of Investi-
 7 gation if the individual has met other requirements of the office for enrollment in the registry.
- 8 (b) The office may enroll an individual in the registry subject to limitations identified in rules
 9 adopted by the council.
- 10 (7) An enrollment in the Central Background Registry may be renewed upon application to the
 11 office, payment of the fee established pursuant to ORS 329A.275 and compliance with rules adopted
 12 by the Early Learning Council pursuant to this section. However, an individual who is determined
 13 to be ineligible for enrollment in the registry after the date of initial enrollment shall be removed
 14 or suspended from the registry by the office.
- 15 (8)(a) A child care facility shall not hire or employ an individual if the individual is not enrolled
 16 in the Central Background Registry.
- 17 (b) Notwithstanding paragraph (a) of this subsection, a child care facility may employ on a
 18 probationary basis an individual who is conditionally enrolled in the Central Background Registry.
- 19 (9) The Early Learning Council may adopt any rules necessary to carry out the purposes of this
 20 section, including but not limited to rules regarding expiration and renewal periods and limitations
 21 related to the subject individual's enrollment in the Central Background Registry.
- 22 (10) For purposes of this section, "subject individual" means a subject individual as defined by
 23 the Early Learning Council by rule, an individual subject to subsection (2)(b) of this section or a
 24 person who applies to be:
- 25 (a) The operator or an employee of a child care or treatment program;
- 26 (b) The operator or an employee of an Oregon prekindergarten program under ORS 329.170 to
 27 329.200;
- 28 (c) The operator or an employee of a federal Head Start program regulated by the United States
 29 Department of Health and Human Services;
- 30 (d) An individual in a child care facility who may have unsupervised contact with children as
 31 identified by the office;
- 32 (e) A contractor or an employee of the contractor who provides early childhood special educa-
 33 tion or early intervention services pursuant to ORS 343.455 to 343.534;
- 34 (f) A child care provider who is required to be enrolled in the Central Background Registry by
 35 any state agency;
- 36 (g) A contractor, employee or volunteer of a metropolitan service district organized under ORS
 37 chapter 268 who may have unsupervised contact with children and who is required to be enrolled
 38 in the Central Background Registry by the metropolitan service district;
- 39 (h) A provider of respite services, as defined in ORS 418.205, for parents pursuant to a properly
 40 executed power of attorney under ORS 109.056 who is providing respite services as a volunteer with
 41 a private agency or organization that facilitates the provision of such respite services; or
- 42 (i) The operator or an employee of an early learning program as defined in rules adopted by the
 43 council.
- 44 (11)(a) Information provided to a metropolitan service district organized under ORS chapter 268
 45 about the enrollment status of the persons described in subsection (10)(g) of this section shall be

1 subject to a reciprocal agreement with the metropolitan service district. The agreement must pro-
 2 vide for the recovery of administrative, including direct and indirect, costs incurred by the office
 3 from participation in the agreement. Any moneys collected under this paragraph shall be deposited
 4 in the Child Care Fund established under ORS 329A.010.

5 (b) Information provided to a private agency or organization facilitating the provision of respite
 6 services, as defined in ORS 418.205, for parents pursuant to a properly executed power of attorney
 7 under ORS 109.056 about the enrollment status of the persons described in subsection (10)(h) of this
 8 section shall be subject to an agreement with the private agency or organization. The agreement
 9 must provide for the recovery of administrative, including direct and indirect, costs incurred by the
 10 office from participation in the agreement. Any moneys collected under this paragraph shall be de-
 11 posited in the Child Care Fund established under ORS 329A.010.

12 (c) Information provided to a private agency or organization about the enrollment status of the
 13 persons described in subsection (10)(i) of this section shall be subject to an agreement with the pri-
 14 vate agency or organization. The agreement must provide for the recovery of administrative, in-
 15 cluding direct and indirect, costs incurred by the office from participation in the agreement. Any
 16 moneys collected under this paragraph shall be deposited in the Child Care Fund established under
 17 ORS 329A.010.

18 **SECTION 11. This 2021 Act takes effect on the 91st day after the date on which the 2021**
 19 **regular session of the Eighty-first Legislative Assembly adjourns sine die.**

20