

HB 3029 STAFF MEASURE SUMMARY

House Committee On Early Childhood and Human Services

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Sub-Referral To: Joint Committee On Ways and Means

Meeting Dates: 2/20, 2/22

WHAT THE MEASURE DOES:

Directs Department of Early Learning and Care (DELIC) to establish and implement child care provider incentive program. Specifies that incentives may include loan repayment subsidies, stipends, scholarships, and child care and housing assistance. Requires Early Learning Council to prescribe by rule the eligibility criteria, terms and conditions of participation, types of incentives to be provided, priority of funds distribution, and financial penalties for participant noncompliance. Requires that providers be eligible for multiple incentives and for multiyear periods. Authorizes DELIC to contract with public or private entities to administer program. Requires DELIC to annually determine funding distribution for scholarships for following academic year by September 1. Establishes Child Care Provider Incentive Fund in State Treasury and authorizes DELIC to receive gifts, grants, and contributions to deposit in fund for administration of incentive program. Takes effect on 91st day following adjournment sine die.

REVENUE: May have revenue impact, but no statement yet issued

FISCAL: May have fiscal impact, but no statement yet issued

ISSUES DISCUSSED:

- Shortage of labor supply in child care sector
- Potential for economic development
- True cost of providing child care
- Enhancing child care access, infrastructure, and workforce
- Efforts to work toward building a unified child care system

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

Oregon law directs the Early Learning Division (after July 1, 2023, the Department of Early Learning and Care), in partnership with the Early Learning Council and the Educator Advancement Council, to develop and implement a system of professional development that provides early childhood professionals with career pathways, mentorship, and coaching opportunities. As part of this system, the Division maintains the [Oregon Registry](#), a centralized, statewide professional recognition database that provides educational guidelines and records individual progress on training, education, and professional development. The system is maintained by the [Oregon Center for Career Development in Childhood Care and Education](#) at Portland State University's College of Education.

Various incentives are available to early childhood professionals who achieve certain steps in the registry, such as enhanced reimbursement rates and education award payments. In addition, the Oregon Statewide Scholarship Program for Professional Development offers two scholarships: Oregon's Family Child Care Scholarship and the Betty Gray Early Childhood Scholarship. According to a [2019 report](#) by Oregon State University's College of Public Health and Human Sciences, 44% of the early childhood workforce participated in at least one of these initiatives.

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Other scholarship and financial aid opportunities may be available through the centralized scholarship clearinghouse operated by the Office of Student Access and Completion (OSAC), a division of the Higher Education Coordinating Commission, which serves as a centralized database for students to locate and apply for public and private scholarships. OSAC is the state entity responsible for administering public financial aid programs for students pursuing higher education.

House Bill 3029 directs the Department of Early Learning and Care to establish and implement an incentive program, to be determined by the rules issued by the Early Learning Council, that would offer incentives such as loan repayment subsidies, stipends, scholarships, and child care and housing assistance to child care providers. The measure also establishes the Child Care Provider Incentive Fund and authorizes DELC to contract with other entities to administer the incentive program.