

HB 2954 A STAFF MEASURE SUMMARY

House Committee On Early Childhood and Human Services

Action Date: 03/15/23

Action: Do pass with amendments and be referred to Ways and Means by prior reference.
(Printed A-Eng.)

Vote: 8-1-1-0

Yeas: 8 - Andersen, Elmer, Hartman, Hieb, Nelson, Neron, Nguyen H, Reynolds

Nays: 1 - Cramer

Exc: 1 - Scharf

Fiscal: Fiscal impact issued

Revenue: No revenue impact

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Meeting Dates: 2/22, 3/15

WHAT THE MEASURE DOES:

Directs Department of Early Learning and Care (DELIC), in consultation with Department of Human Services and subject to available funding, to establish and adopt by rule a pilot program that would provide financial assistance to employees of long term care facilities for child care costs. Requires DELIC to consider geographic areas of the state with greatest child care needs when establishing pilot program. Prescribes scope of pilot program and requires DELIC to consult with stakeholders when adopting rules. Requires DELIC to report to legislative committee on program implementation and recommendations by September 15, 2025. Sunsets January 2, 2026.

ISSUES DISCUSSED:

- Efforts to improve workforce recruitment and retention in long term care facilities
- Anticipated increase in retirement and elder care needs
- Importance of child care access for working families
- Integration of child care and long term care facilities
- Inclusion of wider scope of long term care employees

EFFECT OF AMENDMENT:

Expands definition of long term care facilities to include residential care facilities, including assisted living facilities and facilities with memory care endorsements.

BACKGROUND:

Long term care facilities provide inpatient medical, nursing, rehabilitation, and other health-related care and services to people with disabilities and medical needs. Long term care facilities include nursing facilities, assisted living and residential care facilities, and adult foster homes. Depending on the types of regulated services provided, staff may be required to be registered nurses, certified nursing assistants, or may not be certified at all. While wages in this sector tend to be relatively low, recent workforce shortages have led to efforts to increase compensation and retention. The Department of Human Services established an [Enhanced Wage Add-on Program](#) that provides higher reimbursement rates to long term care providers that pay a starting wage of at least \$15.50 per hour for caregivers and \$17.50 per hour for certified nursing assistants starting in 2022.

Access to affordable child care is a challenge across the state, particularly for low-wage earners. The effects of the COVID-19 public health emergency, when many child care providers were ordered to temporarily close, have also had a lasting impact on the supply of child care. According to a [2020 report](#) by Oregon State University's College of Public Health and Human Sciences, all 36 counties in Oregon meet the definition of a "child care desert" for infants and toddlers, meaning that there are more than three children for each available child care slot in the

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community. Twenty-five Oregon counties are also child care deserts for preschool-age children. According to a separate, federally required [2020 study](#) on market prices for child care, prices for child care have steadily increased since 1990, in both nominal and inflation-adjusted terms, with sharp increases from 2018. That study also found that prices for child care tend to be higher in urban regions and communities where universities are located. Forthcoming updated versions of these reports, which are due later this year, may reveal the impact of the COVID-19 public health emergency on child care supply and prices.

House Bill 2954 A directs the Department of Early Learning and Care, in consultation with the Department of Human Services and subject to available funding, to establish and adopt rules to implement a pilot program that would provide financial assistance to staff at long term care facilities for child care expenses and to report to the Legislative Assembly by September 15, 2025.