

## HB 4098 -1, -2 STAFF MEASURE SUMMARY

### House Committee On Economic Development and Small Business

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**Sub-Referral To:** Joint Committee On Ways and Means

**Meeting Dates:** 2/6, 2/15

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#### WHAT THE MEASURE DOES:

The measure appropriates funding to establish childcare infrastructure grant programs to build new childcare infrastructure and funding for those in construction apprentice programs to pay for childcare. Declares an emergency, takes effect on passage.

#### Detailed Summary:

##### **Section 1: CHIPS Child Care Work Group**

Directs the Oregon Business Development Department (OBDD) to establish the CHIPS Child Care Work Group. Requires the work group to development recommendations related to financial contributions by businesses. Establishes minimum work group membership requirements.

##### **Section 2: Child Care Infrastructure Grant Program**

Directs OBDD to develop a child care infrastructure grant program to build new childcare infrastructure in Oregon and identifies eligible grant recipients. Authorizes OBDD to contract with a third party to administer the grant program. Directs OBDD or third party to prioritize entities with a proposal to create new child care slots for children who have family employed in the construction workforce.

##### **Section 3: Financial Support for Construction Workforce**

Requires OBDD and Bureau of Labor and Industries to develop a program to provide financial support for childcare services for those in construction apprenticeship programs. Establishes the CHIPS Child Care Fund to support the grant program and financial support program.

#### ISSUES DISCUSSED:

- The federal CHIPS act child care requirements
- Funding sources for the CHIPS Child Care Fund
- Child care needs around the state of Oregon

#### EFFECT OF AMENDMENT:

-1 The amendment appropriates \$5,000,000 to the Oregon Business Development Department from the General Fund to be deposited into the CHIPS Child Care Fund. it also grants authority to the Oregon Business Development Department to transfer funds from the CHIPS Child Care Fund for the purpose of increasing child care infrastructure in geographic areas in the state where semiconductor or other advanced manufacturing facilities are located.

-2 The amendment expands the financial support for construction workers provision to include individuals employed in the construction industry and working on a qualifying project.

#### BACKGROUND:

During the 2023 session [SB 4](#) was passed and signed into law. The measure appropriated funds for a grand program to support the semiconductor industry and incentivize economic development in the sector. This

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measure continues to support that economic development by supporting the workforce for those projects by incentivizing the development of childcare infrastructure and financial support.

PRELIMINARY