



Legislative Fiscal Office  
 82<sup>nd</sup> Oregon Legislative Assembly  
 2024 Regular Session

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**Bill Title:** Relating to child care.

**Government Unit(s) Affected:** Department of Early Learning and Care, Oregon Business Development Department

**Summary of Fiscal Impact**

2023-25 Biennium	General Fund	Lottery Funds	Other Funds	Federal Funds	Total Funds	Positions	FTE
Oregon Business Development Department	\$ 4,500,000	\$ -	\$ -	\$ -	\$ 4,500,000	1	0.50
Department of Early Learning and Care	\$ 500,000	\$ -	\$ -	\$ -	\$ 500,000	-	-
<b>Total Fiscal Impact</b>	<b>\$ 5,000,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 5,000,000</b>	<b>1</b>	<b>0.50</b>

2025-27 Biennium	General Fund	Lottery Funds	Other Funds	Federal Funds	Total Funds	Positions	FTE
Oregon Business Development Department	\$ -	\$ -	\$ -	\$ -	\$ -	-	-
Department of Early Learning and Care	\$ -	\$ -	\$ -	\$ -	\$ -	-	-
<b>Total Fiscal Impact</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>-</b>	<b>-</b>

**Measure Description**

HB 4158 - A makes two separate General Fund appropriations. The first appropriates \$4,500,000 General Fund to the Oregon Business Development Department (OBDD) (Section 1 of the measure) for deposit into the Child Care Infrastructure Fund to be used to provide financial assistance to eligible applicants that are child care centers that serve fewer than 75 children, certified family child care homes, registered family child care homes, or organizations that support the expansion or establishment of child care providers. The second appropriates \$500,000 to the Department of Early Learning and Care (DELIC) to provide technical support to eligible applicants described in Section 1 of the measure.

**Fiscal Analysis**

The total estimated fiscal impact is \$5,000,000 total funds in the 2023-25 biennium.

Oregon Business Development Department

The measure is anticipated to have a fiscal impact on OBDD of \$4,500,000 General Fund in the 2023-25 biennium.

OBDD will provide the \$4.5 million General Fund appropriation to third-party nonprofit entities and community development financial institutions through grants. The expectation is that these grants would be used to provide sub-grants to support child care infrastructure activities, especially smaller in-home child care providers. OBDD anticipates that these grants will require significant oversight and reporting to ensure grant funds are used

appropriately and funding efficacy and outcomes are accurately tracked. Based on the 800 applications OBDD received for the Oregon Child Care Start Up and Expansion Grant program in 2023, OBDD anticipates receiving more than 1,000 applications under the Child Care Infrastructure Program.

Given the expanded complexity of the Child Care Infrastructure Program and the broader scope of projects anticipated to be funded, OBDD will need one limited duration, full-time Operations and Policy Analyst 3 (0.50 FTE) to provide project management for large awards, conduct project compliance and field verification, and serve as program liaison to project applicants. This position will be supported by the General Fund appropriation in Section 1 of the measure.

Department of Early Learning and Care

The measure is anticipated to have a fiscal impact on DELC of \$500,000 General Fund in the 2023-25 biennium.

DELC will use the \$500,000 General Fund appropriation in Section 2 of the measure to contract with a third-party to provide technical assistance to child care providers. Pursuant to HB 3005 (2023), DELC is building a technical assistance program to support child care providers to access the Child Care Infrastructure Fund. The current technical assistance statewide will be developed through a contract with a non-profit organization that provides business supports, training, technical assistance and coaching to child care programs. Additional contracts with culturally specific technical assistance providers may be developed in the future. This technical assistance program will create outreach materials and training in multiple languages to assist child care providers in understanding the process and requirements for applying for funding to expand or create new child care opportunities.

**Relevant Dates**

The measure declares an emergency and takes effect on passage.