



Oregon Department of
**Early Learning
and Care**

SB1040 (2021): Micro-Center Pilot Program

Update and Progress of the Pilot
Alicia Gardiner, CCLD Director



Micro-Center Pilot Program



Purpose:

- The purpose of the Micro-Center Pilot Program established by SB 1040 (2023) is to explore a potential new model for small capacity child care programs, that serve under 30 children, fostering their ability to provide care to communities across the state.

Goal:

- To ease administrative burdens, particularly to underserved communities and to develop a successful model that can be replicated throughout the state.



Pilot Introduction

Eligibility Criteria:

- Hold an active license administered by the Department of Early Learning and Care (DELIC)
- Serve a maximum capacity of 30 children
- Provide child care programming for more than four hours a day

Pilot Selection Criteria:

- Three programs: One program located in each area: Central/Eastern Oregon; the Willamette Valley; the Oregon Coast
- Priority to applicants located in communities that have the greatest need or are eligible to take ERDC
- Selected on a first-come, first-served basis
- Satisfactory child care and Central Background Registry compliance history





Participant Requirements

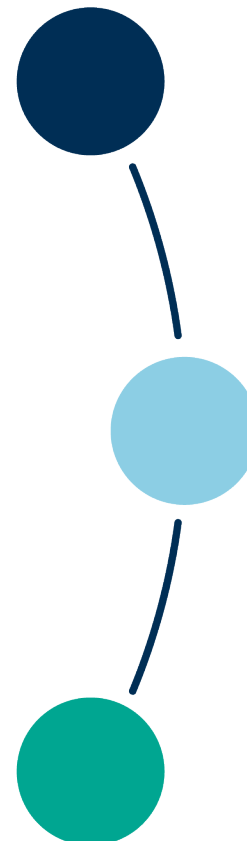
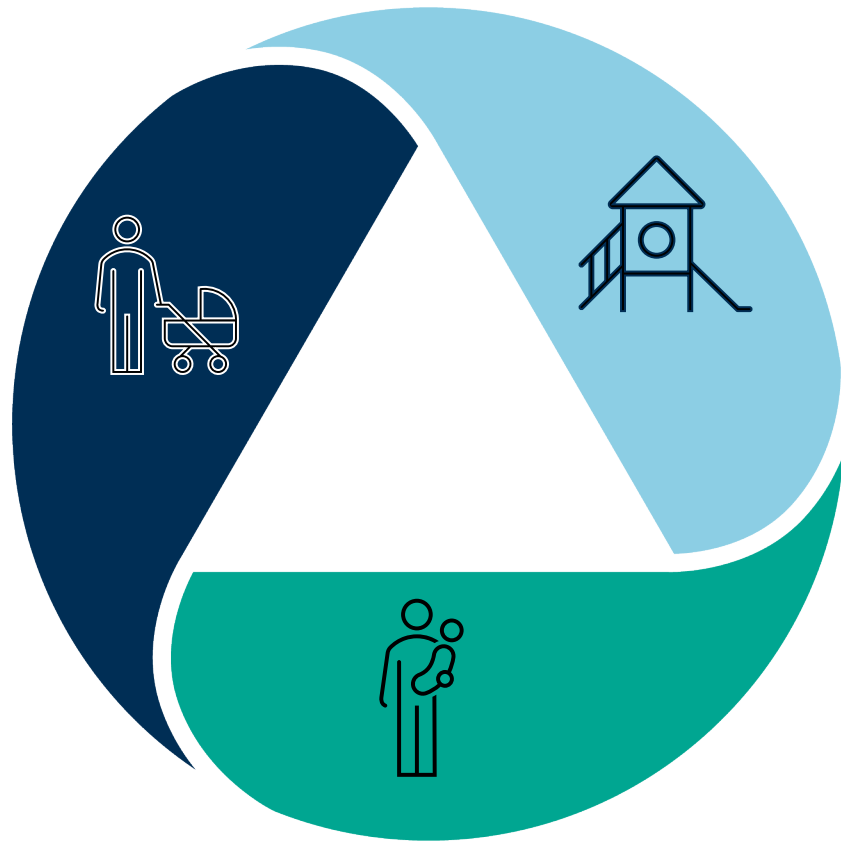
- Work with DELC to identify rules that cause difficulties in operating a small capacity child care center and apply for exceptions or waivers to those requirements.
- Be able to apply for multiple exceptions to support their unique program needs.

This structure allows for:

- Programs to tailor the request based on their program's individual needs.
- Data collection that may be used for future rule making and policy decisions.
- Built in safeguards to the pilot since exceptions may only be granted if the requirement is not established in statute and will not jeopardize the health, safety, and well-being of children.



Micro- Center Pilot Participant Selection



Coos Bay:

A certified home provider who is expanding her program to a small child care center.

The Dalles:

A child care center operator that had two small centers, one licensed for 17 children that served infants/toddlers and one licensed for 30 children that served preschool and school-age children.

Pleasant Hill and Springfield:

This provider operates multiple sites and types of child care programs. She has a small child care center in Springfield, an exempt school-age program in Pleasant Hill, and a certified home in Pleasant Hill.

Pilot Started June 4, 2024

Pilot Activities Conducted to Date



Virtual Meetings

Virtual meetings have taken place almost monthly. These meetings are used to identify additional supports that may be needed.

Virtual Group Meetings

Several virtual meetings with all participants have taken place. This allows participants to share resources, issues they are experiencing, as well as possible solutions, within a peer group.

Site Visits

Site visits have been conducted to all three programs with one more taking place this spring. Site visits are an opportunity to discuss barriers, exceptions, collect data, and provide additional site-specific technical assistance.

Data Collection

Qualitative data has been gathered throughout the pilot. This data collection has supported with identifying the specific barriers the pilot programs face, as well as identify exceptions that may assist them with operating their programs.





Identified Barriers and Waivers

Flexible Supervision:

- ✓ Two center-based pilot participants were granted exceptions to use a home-based model for supervision. This allowed more flexibility with the staff and in turn helped with overhead expenses.

Mixed-Age Ratios:

- ✓ This would allow smaller programs or programs with a limited number of children onsite to have all the children in one group. This has already been addressed in certified center rule revision.

Onsite Time Requirements for Directors:

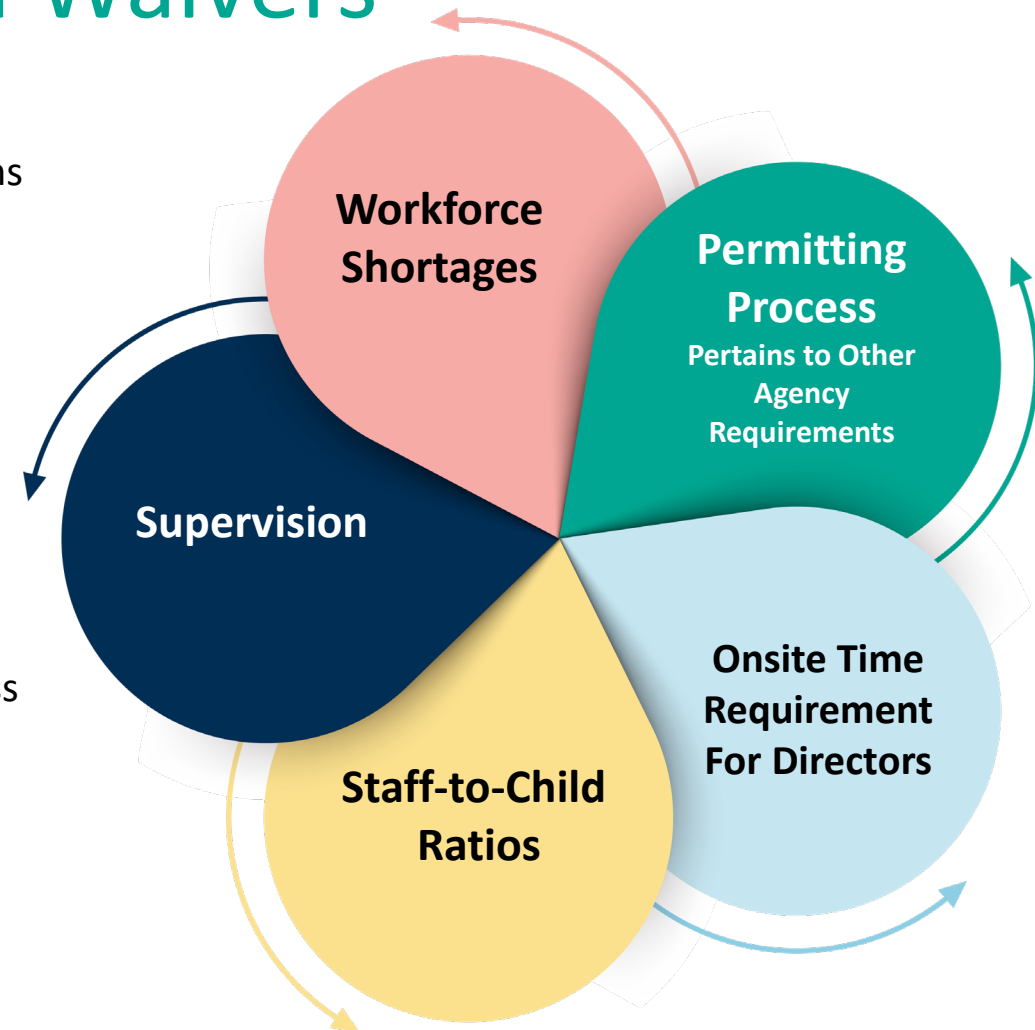
- ✓ Exception was granted to allow the director to be onsite less time than required in rule.

Workforce:

- Finding people willing to work in child care is difficult. Pilot participants cite low wages, lack of benefits, and a high stress environment for reasons why people may not be willing to work in the industry.

Zoning and Other Agencies:

- Other agency requirements can cause barriers

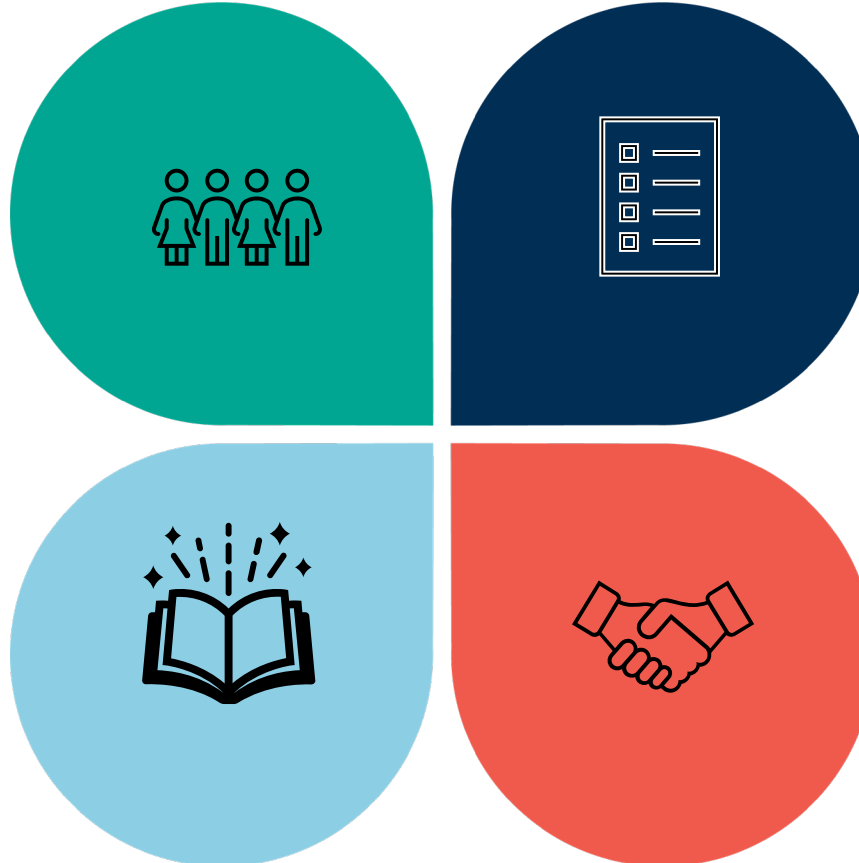


Key Areas for Progress



HB 2814 (2025)

Strict statutory licensing requirements limit flexibility for providers and owners, especially in cases of staffing changes or when managing multiple licensed home-based facilities. Increases flexibility for providers, reduces administrative challenges, and supports continued child care operations in underserved areas.



Child Care Center Rules

The following adjustments have been made to child care center regulations:

- Ratios: Allows centers to follow licensed home ratios when there are small numbers of children on-site;
- Added additional options for meeting staff qualifications to include licensed home care experience.

Zoning Adjustments

Several bills proposed during the 2025 session may address permitting challenges for child care facilities.

HB 3496: Local government siting guidance

HB 3560: Co-location with dense residential

SB 1099: Child care in places of worship

Shared Services Model

Expand or apply new funding to a shared services model for small capacity child care centers.

Shared Service Model



Micro-Center Network “Hub” Role:

- Hires, trains, supervises, and supports teachers in sites
- Manages shared staffing and coordinates substitutes
- Provides administrative support (billing, payroll, policies)
- Supports families with enrollment, subsidy support, etc.
- Budgeting and fiscal management
- Tracks and manages child enrollment
- Centralized marketing to both families and employers

Micro-Center Host Location Role:

- Makes a classroom space and facility supports (e.g. janitorial, maintenance) available for free or low cost.
- Helps support cost of needed equipment and furnishings
- Collaborates with the “Hub” to ensure compliance with licensing

Policy Changes:

- ✓ Exceptions to allow off-site director for Micro-Centers
- ✓ Supports electronic billing, reporting, records (centralized CBR)
- ✓ Eligible for subsidy, grants, and other public funding opportunities





DELC Contacts

Alyssa Chatterjee, Director,
alyssa.chatterjee@delc.oregon.gov, 971-283-1271

Kate Denison, Government Affairs Manager,
kate.denison@delc.oregon.gov, 503-551-6826

DELC Government Affairs Team, delc.govaffairs@delc.oregon.gov

Kathy Wai, *Interim* Government Affairs Manager,
kathy.wai@delc.oregon.gov, 971-428-7466

Alicia Gardiner, Child Care Licensing Division Director,
Alicia.gardiner@delc.oregon.gov 503-302-9549