

Senate Bill 1097

Sponsored by Senator BROADMAN

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**. The statement includes a measure digest written in compliance with applicable readability standards.

Digest: The Act tells an agency to create a pilot program to help some families pay for child care. The new law ends after two years. (Flesch Readability Score: 85.8).

Directs the Department of Early Learning and Care to enter into an agreement with a nongovernmental organization to establish and administer a child care subsidy program. Establishes the Tri-Share Child Care Subsidy Fund for the pilot program.

Sunsets on January 2, 2027.

Takes effect on the 91st day following adjournment sine die.

A BILL FOR AN ACT

1
2 Relating to subsidizing child care; and prescribing an effective date.

3 **Be It Enacted by the People of the State of Oregon:**

4 **SECTION 1. (1) The Department of Early Learning and Care shall enter into an agree-**
5 **ment with a nongovernmental organization to establish and administer a child care subsidy**
6 **pilot program.**

7 **(2) The purposes of the pilot program are to leverage private-public partnerships to make**
8 **child care affordable for working families, help employers attract and retain employees and**
9 **support the financial sustainability of child care providers.**

10 **(3) The agreement shall specify policies and procedures for the administration of the pilot**
11 **program, including but not limited to:**

12 **(a) The amount, or a formula to determine the amount, of:**

13 **(A) A child care subsidy awarded under this section;**

14 **(B) A contribution made by an employer for a child care subsidy awarded under this**
15 **section;**

16 **(C) A contribution made by the department for a child care subsidy awarded under this**
17 **section; and**

18 **(D) The percentage of child care costs, if any, for which an eligible individual must pay**
19 **as a condition to receive a child care subsidy under this section.**

20 **(b) The form and manner of documentation for eligible individuals to apply for a child**
21 **care subsidy, employers to contribute to a child care subsidy and child care providers to re-**
22 **ceive a child care subsidy.**

23 **(c) Procedures to verify that moneys have been used for the purposes for which they**
24 **were prescribed.**

25 **(d) Data collection, reporting and other accountability mechanisms.**

26 **(4) To be eligible to receive a child care subsidy under this section, an individual must:**

27 **(a) Have custody or control of a child who needs child care services;**

28 **(b) Be an employee or designee of an employer that commits to contribute to a child care**

NOTE: Matter in **boldfaced** type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted. New sections are in **boldfaced** type.

1 subsidy, as specified in the agreement under subsection (3) of this section;

2 (c) Be capable of paying any percentage of the cost of child care services for which an
3 individual may be responsible as determined under subsection (3) of this 2025 Act;

4 (d) Be from a household with income that does not exceed 300 percent of the federal
5 poverty guidelines; and

6 (e) Reside in Crook County, Deschutes County, Jefferson County or the territory of the
7 Confederated Tribes of Warm Springs.

8 **SECTION 2.** (1) The Tri-Share Child Care Subsidy Fund is established in the State
9 Treasury, separate and distinct from the General Fund. The Tri-Share Child Care Subsidy
10 Fund consists of moneys appropriated, allocated, deposited or transferred to the fund by the
11 Legislative Assembly or otherwise.

12 (2) Subject to subsection (3) of this section, moneys in the fund are continuously appro-
13 priated to the Department of Early Learning and Care to distribute to a nongovernmental
14 organization pursuant to an agreement entered into under section 1 of this 2025 Act.

15 (3) Moneys in the Tri-Share Child Care Subsidy Fund may not be distributed to a non-
16 governmental organization under subsection (2) of this section unless philanthropic organ-
17 izations have donated at least \$2 million to the fund for purposes of carrying out section 1
18 of this 2025 Act.

19 (4) No more than 12 percent of the moneys deposited in the Tri-Share Child Care Subsidy
20 Fund may be used for administrative costs incurred under section 1 of this 2025 Act.

21 **SECTION 3.** (1) Sections 1 and 2 of this 2025 are repealed on January 2, 2027.

22 (2) Any moneys remaining in the Tri-Share Child Care Subsidy Fund on January 2, 2027,
23 that are unexpended, unobligated and not subject to any conditions shall revert to the Gen-
24 eral Fund.

25 **SECTION 4.** In addition to and not in lieu of any other appropriation, there is appropri-
26 ated to the Department of Early Learning and Care, for the biennium beginning July 1, 2025,
27 out of the General Fund, the amount of \$2,000,000, for deposit in the Tri-Share Child Care
28 Subsidy Fund to carry out section 1 of this 2025 Act.

29 **SECTION 5.** This 2025 Act takes effect on the 91st day after the date on which the 2025
30 regular session of the Eighty-third Legislative Assembly adjourns sine die.

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