

B-Engrossed House Bill 4098

Ordered by the House March 5
Including House Amendments dated February 19 and March 5

Sponsored by Representative WALTERS, Senator SOLLMAN, Representatives PHAM H, BYNUM, NGUYEN H, RUIZ; Representatives BOWMAN, DEXTER, GAMBIA, HARTMAN, HELM, HUDSON, LEVY E, NERON, NGUYEN D, REYNOLDS, SMITH G, SOSA, Senators CAMPOS, FREDERICK, GELSER BLOUIN, JAMA, PATTERSON (at the request of Family Forward Oregon) (Pre-session filed.)

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. The statement includes a measure digest written in compliance with applicable readability standards.

Digest: The Act would create the CHIPS Child Care Fund. The Act would tell the Oregon Business Development Department to work with the Bureau of Labor and Industries to make a program to help fund child care. The Act would create a work group related to funding child care. (Flesch Readability Score: 76.0).

Establishes the CHIPS Child Care Fund. Appropriates moneys from the General Fund to the Oregon Business Development Department for deposit in the CHIPS Child Care Fund.

Directs the department to enter into an interagency agreement with the Bureau of Labor and Industries to develop and administer a financial support program for the construction workforce.

Directs the department to establish a work group to adopt recommendations for requiring certain businesses to make a financial contribution to the CHIPS Child Care Fund. Requires work group to report to the committees of the Legislative Assembly related to child care and workforce development by November 15, 2024.

Declares an emergency, effective on passage.

A BILL FOR AN ACT

1
2 Relating to child care; creating new provisions; amending section 6, chapter 25, Oregon Laws 2023;
3 and declaring an emergency.

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

5 **SECTION 1. CHIPS Child Care Work Group.** (1) **The Oregon Business Development De-**
6 **partment shall establish the CHIPS Child Care Work Group to develop recommendations:**

7 (a) **To require financial contributions to the CHIPS Child Care Fund established under**
8 **section 3 of this 2024 Act by businesses that receive a program grant or loan under section**
9 **3, chapter 25, Oregon Laws 2023, and federal semiconductor financial assistance, as defined**
10 **in section 1, chapter 25, Oregon Laws 2023.**

11 (b) **To determine the monetary amount of financial contributions and the mechanism by**
12 **which those contributions are to be made under paragraph (a) of this subsection.**

13 (2) **The work group must include, at a minimum, representation of relevant state agen-**
14 **cies, businesses described in subsection (1) of this section and child care advocates.**

15 **SECTION 2. Financial support for construction workforce.** (1) **The Oregon Business De-**
16 **velopment Department shall enter into an interagency agreement with the Bureau of Labor**
17 **and Industries to develop and administer a program to provide financial support and child**
18 **care subsidies to:**

19 (a) **Apprentices who are participating in a course of study in construction under ORS**
20 **660.002 to 660.210.**

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 (b) Journeyworkers who have completed an apprenticeship in construction under ORS
2 660.002 to 660.210 within the last five years.

3 (2) Financial support under subsection (1) of this section may be provided to the ap-
4 prentice or journeyworker or to the child care provider that is providing child care services
5 for the apprentice or journeyworker.

6 (3)(a) The department shall adopt rules necessary to administer this section.

7 (b) The bureau may adopt rules to carry out this section.

8 (4) The bureau shall evaluate the impact of this section on increasing diversity in the
9 construction workforce.

10 **SECTION 3. CHIPS Child Care Fund.** (1) The CHIPS Child Care Fund is established in the
11 State Treasury, separate and distinct from the General Fund. Interest earned by the CHIPS
12 Child Care Fund shall be credited to the fund.

13 (2) Moneys in the fund are continuously appropriated to the Oregon Business Develop-
14 ment Department for the following purposes:

15 (a) Paying the actual costs incurred by the department to develop and administer this
16 section and sections 1, 2 and 4 of this 2024 Act; and

17 (b) Carrying out this section and sections 1, 2 and 4 of this 2024 Act, including trans-
18 ferring moneys to the Bureau of Labor and Industries to develop and administer the program
19 described in section 2 of this 2024 Act.

20 (3) The Oregon Business Development Department may transfer moneys deposited in the
21 fund to the Child Care Infrastructure Fund established under ORS 329A.725. Moneys trans-
22 ferred under this subsection shall be used by the department to provide financial assistance
23 under ORS 329A.727 for the purposes of increasing child care infrastructure in geographic
24 areas in this state where semiconductor or other advanced manufacturing facilities are
25 presently located or scheduled to be constructed under sections 1 to 6, chapter 25, Oregon
26 Laws 2023.

27 (4) The Oregon Business Development Department shall administer the CHIPS Child Care
28 Fund in consultation with the Bureau of Labor and Industries.

29 (5) The fund shall consist of moneys credited to the fund, including:

30 (a) Moneys appropriated to the fund by the Legislative Assembly;

31 (b) Moneys transferred to the fund by the Oregon Business Development Department;

32 (c) Moneys transferred from the Oregon CHIPS Fund established in section 6, chapter
33 25, Oregon Laws 2023;

34 (d) Moneys contributed to the CHIPS Child Care Fund by businesses that receive a pro-
35 gram grant or loan under section 3, chapter 25, Oregon Laws 2023, and federal semiconductor
36 financial assistance, as defined in section 1, chapter 25, Oregon Laws 2023;

37 (e) Earnings on moneys in the fund;

38 (f) Moneys received from the federal or state government; and

39 (g) Moneys from any other public or private source.

40 **SECTION 3a.** Section 3 of this 2024 Act is amended to read:

41 **Sec. 3.** (1) The CHIPS Child Care Fund is established in the State Treasury, separate and dis-
42 tinct from the General Fund. Interest earned by the CHIPS Child Care Fund shall be credited to
43 the fund.

44 (2) Moneys in the fund are continuously appropriated to the Oregon Business Development De-
45 partment for the following purposes:

1 (a) Paying the actual costs incurred by the department to develop and administer this section
2 and [sections 1, 2 and 4] **section 2** of this 2024 Act; and

3 (b) Carrying out this section and [sections 1, 2 and 4] **section 2** of this 2024 Act, including
4 transferring moneys to the Bureau of Labor and Industries to develop and administer the program
5 described in section 2 of this 2024 Act.

6 (3) The Oregon Business Development Department may transfer moneys deposited in the fund
7 to the Child Care Infrastructure Fund established under ORS 329A.725. Moneys transferred under
8 this subsection shall be used by the department to provide financial assistance under ORS 329A.727
9 [for the purposes of increasing child care infrastructure in geographic areas in this state where semi-
10 conductor or other advanced manufacturing facilities are presently located or scheduled to be con-
11 structed under sections 1 to 6, chapter 25, Oregon Laws 2023].

12 (4) The Oregon Business Development Department shall administer the CHIPS Child Care Fund
13 in consultation with the Bureau of Labor and Industries.

14 (5) The fund shall consist of moneys credited to the fund, including:

15 (a) Moneys appropriated to the fund by the Legislative Assembly;

16 (b) Moneys transferred to the fund by the Oregon Business Development Department;

17 [(c) Moneys transferred from the Oregon CHIPS Fund established in section 6, chapter 25, Oregon
18 Laws 2023;]

19 [(d)] (c) Moneys contributed to the [CHIPS Child Care] fund by businesses that receive a pro-
20 gram grant or loan under section 3, chapter 25, Oregon Laws 2023, and federal semiconductor fi-
21 nancial assistance, as defined in section 1, chapter 25, Oregon Laws 2023;

22 [(e)] (d) Earnings on moneys in the fund;

23 [(f)] (e) Moneys received from the federal or state government; and

24 [(g)] (f) Moneys from any other public or private source.

25 **SECTION 4. Report. On or before November 15, 2024, the CHIPS Child Care Work Group**
26 **established in section 1 of this 2024 Act shall submit a report, in the manner provided in ORS**
27 **192.245, on the recommendations required by section 1 of this 2024 Act, to the committees**
28 **of the Legislative Assembly related to child care and workforce development.**

29 **SECTION 5.** Section 6, chapter 25, Oregon Laws 2023, is amended to read:

30 **Sec. 6.** (1) The Oregon CHIPS Fund is established in the State Treasury, separate and distinct
31 from the General Fund. Interest earned by the Oregon CHIPS Fund shall be credited to the fund.

32 (2) Moneys in the fund shall consist of:

33 (a) Amounts appropriated or otherwise transferred or credited to the fund by the Legislative
34 Assembly;

35 (b) Earnings received on moneys in the fund; and

36 (c) Other moneys, or proceeds of property, from any public or private source that are trans-
37 ferred, donated or otherwise credited to the fund.

38 (3) Moneys in the Oregon CHIPS Fund are continuously appropriated to the Oregon Business
39 Development Department for the following purposes:

40 (a) Paying the actual costs incurred by the department in developing and administering sections
41 1 to 6, **chapter 25, Oregon Laws 2023** [of this 2023 Act]; [and]

42 (b) Carrying out the provisions of sections 1 to 6, **chapter 25, Oregon Laws 2023** [of this 2023
43 Act]; and

44 (c) **Transferring moneys to the CHIPS Child Care Fund established under section 3 of this**
45 **2024 Act for purpose of carrying out section 2 of this 2024 Act.**

1 (4) Moneys in the Oregon CHIPS Fund on June 30, 2023, shall be retained in the fund, and used
2 for the purposes set forth in subsection (3) of this section, until June 30, 2025.

3 (5) Any moneys remaining in the Oregon CHIPS Fund on June 30, 2025, shall be transferred to
4 the General Fund.

5 **SECTION 6. Appropriation.** In addition to and not in lieu of any other appropriation,
6 there is appropriated to the Oregon Business Development Department, for the biennium
7 ending June 30, 2025, out of the General Fund, the amount of \$2,500,000, to be deposited into
8 the CHIPS Child Care Fund established under section 3 of this 2024 Act.

9 **SECTION 7. Expenditure limitation.** Notwithstanding any other law limiting expenditures,
10 the limitation on expenditures established by section 4 (3), chapter 475, Oregon Laws 2023,
11 for the biennium ending June 30, 2025, as the maximum limit for payment of expenses from
12 fees, moneys or other revenues, including Miscellaneous Receipts, but excluding lottery funds
13 and federal funds, collected or received by the Oregon Business Development Department,
14 for infrastructure, is increased by \$2,500,000, to implement the provisions of this 2024 Act.

15 **SECTION 8. Expenditure limitation.** Notwithstanding any other law limiting expenditures,
16 the limitation on expenditures established by section 2, chapter 471, Oregon Laws 2023, for
17 the biennium ending June 30, 2025, as the maximum limit for payment of expenses from fees,
18 moneys or other revenues, including Miscellaneous Receipts, but excluding lottery funds and
19 federal funds, collected or received by the Bureau of Labor and Industries, is increased by
20 \$681,662, to implement the provisions of this 2024 Act.

21 **SECTION 9. Expenditure limitation.** Notwithstanding any other law limiting expenditures,
22 the limitation on expenditures established by section 2 (1), chapter 448, Oregon Laws 2023,
23 for the biennium ending June 30, 2025, as the maximum limit for payment of expenses from
24 fees, moneys or other revenues, including Miscellaneous Receipts, but excluding lottery
25 funds, corporate activity tax funds transferred from the Early Learning Account by the De-
26 partment of Education and federal funds, collected or received by the Department of Early
27 Learning and Care, for operations, is increased by \$366,245, to implement the provisions of
28 this 2024 Act.

29 **SECTION 10. Operative date.** The amendments to section 3 of this 2024 Act by section
30 3a of this 2024 Act become operative on January 1, 2033.

31 **SECTION 11. Sunset.** Sections 1 and 4 of this 2024 Act are repealed on January 2, 2025.

32 **SECTION 12. Captions disclaimer.** The section captions used in this 2024 Act are provided
33 only for the convenience of the reader and do not become part of the statutory law of this
34 state or express any legislative intent in the enactment of this 2024 Act.

35 **SECTION 13. Effective date.** This 2024 Act being necessary for the immediate preserva-
36 tion of the public peace, health and safety, an emergency is declared to exist, and this 2024
37 Act takes effect on its passage.

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