



Oregon

Kate Brown, Governor

Early Learning Division



February 25, 2021

Dr. Ellen Whitley, Acting Director
Office of Child Care
330 C ST SW, 4th Floor
Washington, DC 20201

Dear Office of Child Care Director,

This letter describes how Oregon plans to use the Child Care and Development Funds (CCDF) awarded under the Coronavirus Response and Relief Supplemental Appropriations Act (CRRSA). We understand that this description will be used for the purpose of informing the Office of Child Care, Administration for Children and Families and Congress how our Lead Agency anticipates using the funds to support the child care needs in our jurisdiction. The proposed allocation of CCDF CRRSA resources described in this letter is subject to approval by the Oregon Legislature. The Early Learning Division as Oregon's lead CCDF agency will be seeking approval for this spending plan from the legislature in the upcoming months.

We plan to use CRRSA funds for activities in the following categories:

1. Direct Services/Subsidies

The Early Learning Division intends to allocate approximately \$60 million to enhance child care assistance families through the Employment Related Day Care (ERDC) program administered by the Oregon Department of Human Services.

At the beginning of the pandemic, Oregon submitted a waiver to the federal Office of Child Care to completely cover the cost of copays for families in order to reduce the financial burden on families during the crisis. Oregon also increased the income eligibility for families entering ERDC from 185% of FPL to 250% FPL in order to reach more essential workers. In addition, the state implemented more lenient absence day policies in order to ensure continuity of payments to providers. The cost of these policy changes had been covered through the end of March, 2021 using CCDF and CRF CARES Act. Oregon plans on using CRRSA to extend these policies through June 30, 2021, the end of Oregon's fiscal biennium.

Oregon is also planning its post-pandemic transition and proposing to implement a new more graduated and family-friendly copay structure at the start of Oregon's next fiscal biennium (July 1, 2021). Oregon is proposing using CRRSA funds to implement this transition and cover the cost of new copay structure for the next biennium and to set aside funds in case of a caseload increase.

2. Implementation of Virus Mitigation Policies and Practices

Oregon plans to use approximately \$3 million in CRRSA to provide technical assistance to child care providers. Oregon intends to partner with local organizations such as community-based non-profits, labor partners and Child Care Resource and Referral agencies to provide business coaching to child care providers. The pandemic has put significant financial strain on child care providers and heightened the need for strong business practices.

The Early Learning Division has leveraged CCDF and CRF CARES Act to increase its capacity to directly communicate with child care providers during the pandemic in order to ensure that they are receiving timely and accurate information. The Early Learning Division plans to use CRRSA to extend those resources into the next biennium.

3. Grants or Assistance (Other than Subsidies) to Stabilize Child Care Providers

Oregon plans to use approximately \$37 million in CRRSA to provide direct grants to child care providers and support community-based efforts to rebuild the supply of child care.

Using CCDF and CRF CARES Act, Oregon has to date already distributed \$79.5 million in emergency grants to child care providers who have been operating during the State of Emergency. These have been non-competitive grants available to licensed and regulated child care providers, regardless of whether they were serving families on Oregon's child care assistance programs and to license-exempt providers serving families on Oregon's child care assistance programs.

Oregon plans to use CRRSA to continue this grant program. In addition, Oregon plans to launch a new "start-up" grants program for providers who have not yet re-opened during the pandemic. The focus of this grants program would be to encourage those programs to re-open their doors and therefore, help maintain Oregon's supply of child care. These grants would also be available to providers who had not been participating in the subsidy system prior to the pandemic.

Oregon is starting a grant program to local communities and community-based organizations to develop and implement strategies for building the supply of child care. Oregon plans to use CRRSA to extend this grants program.

4. Assistance to Providers Not Participating in the Subsidy System Prior to the Pandemic

As described in section 3 (above), Oregon has already been providing emergency child care grants to licensed and regulated child care providers who had not been previously

participating in the subsidy system prior to the pandemic. CRRSA funded emergency and re-opening grants will similarly include these providers.

5. Other

Oregon plans to allocate approximately \$3 million in CRRSA to expand professional learning opportunities for the child care and early care and education workforce. The focus will be on expanding on-line learning opportunities, which has emerged as a significant need during the pandemic. Oregon also plans on using resources to support the digital literacy of providers, which has also emerged as a significant need during the pandemic.

Oregon plans to allocate approximately \$0.7 million in CRRSA for administration to support the additional demand and workload directly related to carrying out the functions of the grant. The costs will include salary, associated payroll costs, benefits and service and supplies expenses.

The Early Learning Division of the Oregon Department of Education will amend our CCDF plan as a result of activities implemented under CRRSA funding not currently described in the plan, within 60 days of implementation.

Sincerely,

/s/

Miriam Calderon
Early Learning System Director
Oregon

cc: Paul Noski, Regional Program Manager, Office of Child Care, Region 10
Catherine Jackson, Program Specialist, Office of Child Care, Region 10
Joshua Lee, Program Specialist, Office of Child Care, Region 10