BILL SUMMARY

1st Session of the 60th Legislature

Bill No.: HB1849
Version: CS
Request Number: 13172
Author: Rep. Schreiber
Date: 3/11/2025
Impact: DHS: \$11,500,000

Research Analysis

The committee substitute for HB 1849 creates until Nov. 1, 2028, the Teacher Recruitment and Retention Program to be administered by Oklahoma Partnership for School Readiness. The program requires that an employee of a licensed child care facility has household income exempted from consideration for eligibility for the Child Care Subsidy Program. This will not apply to employees that are eligible without household income being exempted. When that individual leaves that employment, the facility will have 30 days to notify the Department of Human Services. The measure adds that the Department of Human Services must waive copayments for employees who are employed by a licensed child care facility and who qualify for the Child Care Subsidy Program under income eligibility requirements.

Prepared By: Suzie Nahach, House Research Staff

Fiscal Analysis

In its current form, HB1849 introduces the Teacher Recruitment and Retention Program, which exempts household income from being factored in when determining eligibility for the Child Care Subsidy Program for employees of child care facilities. This program will be administered through November 1, 2028, by the Oklahoma Partnership for School Readiness (OPSR), a nonprofit created by the Legislature to facilitate access to early care services through private and public partnerships. As such, it is anticipated that OPSR will absorb any costs related to the implementation of this measure.

According to DHS, implementing categorical eligibility for child care workers would result in a fiscal impact of Twenty-One Million Dollars (\$21,000,000) annually. However, since roughly half of these workers are already eligible for a subsidy, the fiscal impact will be reduced to approximately Ten Million Dollars (\$10,000,000). The requirement to waive copayments for subsidy participants costs an additional One Million Five Hundred Thousand Dollars (\$1,500,000).

Therefore, the total anticipated impact on the state budget is \$11,500,000 annually. The annual cost estimates provided by DHS are based on the prior program that existed during the COVID-19 pandemic.

Prepared By: Alexandra Ladner, House Fiscal Staff

Other Considerations

None.

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