



Reducing Barriers to Developing Child Care Facilities Across Oregon

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Access to affordable, high-quality child care is essential for supporting Oregon's families, economy, and workforce. In response to the state's critical need for child care access, Oregon's legislature passed House Bill 2727 (2023), requiring a comprehensive study on regulatory barriers to developing child care facilities. Under the direction of this bill, the Department of Land Conservation and Development, with the help of the Department of Early Learning and Care, convened a work group of child care providers, regulators, and advocacy partners to examine these barriers and recommend strategies to support facility development.

This study examined the impact of regulatory barriers on three types of licensed facilities: registered and certified family child care homes and certified centers. Relevant characteristics of each type are below.

	Registered Family Child Care Home	Certified Family Child Care Home	Certified Center
Enrollees	Up to 10 children	Up to 16 children	Depends on total space and number of staff
Space requirements	None	35 to 50 ft ² of indoor space and 75 ft ² of outdoor space	35 ft ² of indoor space and 75 ft ² of outdoor space
Provider must live on-site?	Yes	No	Not applicable
Allowed dwelling types	Any	Any (effective July 2025)	Not applicable
Building occupancy	Group R-3		Group E or I-4
Land use¹	Considered a residential use, allowed in residential and commercial zones		Allowed in commercial and industrial zones

Key Barriers to Development

Oregon is already a national leader in child care policy, allowing certified in-home providers to care for up to 16 children — a capacity that surpasses many other states. Since at least 1995, Oregon statutes have also required local governments to consider family child care homes as residential uses and permit them outright in residential zones. In 2021, the legislature expanded allowances to outright permit child care centers in commercial and industrial zones. Despite this progress, both center- and home-based child care providers still face significant barriers, including:

Complex Regulatory Framework: Providers face overlapping regulations from multiple agencies, creating confusion and inefficiencies.

Limited Site Availability: Zoning laws, building codes, and licensing requirements limit the number of available sites for child care centers.

Disparate Impacts on Marginalized Providers: Non-English-speaking and rural providers face greater challenges navigating regulatory processes. BIPOC providers encounter systemic barriers related to housing, property ownership, and access to capital, further compounding the challenges of establishing child care businesses.

Financial Risks for Providers: Child care operators often face significant financial costs related to building renovations, permitting fees, and mandatory safety upgrades.

¹ Land use refers to requirements in ORS 329A.440, which applies in all local jurisdictions. Local jurisdictions may have different land use provisions for child care facility types in other circumstances and zones.

Inconsistent Zoning and Land Use Regulations: Although Oregon's recent legislation aims to streamline child care development, many local governments have not updated their zoning codes, which can result in inconsistent processes across jurisdictions.

Building Code Requirements and Change of Use Restrictions: Changes to a building's occupancy for child care use can require costly upgrades like seismic retrofits and sprinkler systems.

Priority Recommendations for Addressing Barriers

The work group developed a comprehensive set of recommendations to address the barriers uncovered during the study. The work group also prioritized eleven key policy recommendations, presented below in order of priority.

PRIORITY RECOMMENDATIONS	ACTION
1. Develop a comprehensive guide for local jurisdictions that includes a model zoning code for child care development regulations, best practices to streamline the permitting process for child care facilities, and policies and programs local jurisdictions can choose to implement to incentivize and prioritize the development of child care facilities.	<i>State agency</i>
2. Develop and issue official guidance for cities and counties on implementing ORS 329A.440. ² This could occur as a stand-alone measure but would be required as an initial first step to complete priority 1 above.	<i>Legislative</i>
3. Create and/or expand dedicated grant funding programs for child care facilities development.	<i>Legislative</i>
4. Create positions for local or regional “navigators” to provide technical assistance to providers during the licensing and development process.	<i>Legislative or local</i>
5. Establish a streamlined building permit process for in-home child care.	<i>Legislative or local</i>
6. Permit child care centers by right in residential zones.	<i>Legislative or local</i>
7. Develop a comprehensive guide translated into multiple languages for child care providers looking to establish or expand a child care facility.	<i>State agency</i>
8. Exempt certain types of site changes from triggering the Conditional Use Modification review.	<i>Legislative or local</i>
9. Develop and issue official guidance for implementing ORS 215.283(2)(dd) (child care centers in resource zones) and ORS 215.448 (home occupations) to encourage a consistent approach to permitting rural child care facilities statewide.	<i>State agency</i>
10. Expedite permitting procedures and offer fee reductions for child care facilities.	<i>Local</i>
11. Provide funding to local governments to translate materials and forms and provide technical interpretation services.	<i>Legislative</i>

² ORS 329A.440 encompasses the application of land use regulations related to family child care homes and certified child care centers. residential zones.