

## **BILL ANALYSIS**

C.S.H.B. 680  
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International Relations & Economic Development  
Committee Report (Substituted)

### **BACKGROUND AND PURPOSE**

It has been noted that a large portion of the Texas Workforce Commission's budget goes toward helping Texans afford child care through a subsidization program. Concerns have been raised, however, that there is too little information available about how this money is being spent and about the quality of the child care being paid for in part by taxpayer funds. C.S.H.B. 680 seeks to address these concerns by revising requirements for evaluations of allocation formulas for federal child care development funds and evaluations of the effectiveness of the subsidized child care program and providing additional guidance regarding professional development for child care providers, directors, and employees.

### **CRIMINAL JUSTICE IMPACT**

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

### **RULEMAKING AUTHORITY**

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

### **ANALYSIS**

C.S.H.B. 680 amends the Government Code to require each local workforce development board, to the extent practicable, to ensure that any professional development for child care providers, directors, and employees funded by federal child care development funds dedicated to quality improvement activities can be used toward requirements for a credential, certification, or degree program and meets the professional development requirements of the Texas Rising Star program.

C.S.H.B. 680 amends the Labor Code to revise the requirements for the Texas Workforce Commission (TWC) annual evaluation of formulas for allocating federal child care development funds to local workforce development boards by:

- requiring the evaluation to include an assessment of certain information relating to participation in the Texas Rising Star program and an assessment of the average price charged by child care providers for child care in each local workforce development area as stated in a certain market rate survey conducted under federal regulations;
- changing the required assessment of the number of vacant slots available for child care placement in each local workforce development area to an assessment of the number of places that are reserved for participants in the child-care subsidy program out of the total number of children enrolled with an applicable provider on a full-time basis categorized by age of the child for each provider in each such area.

The bill requires the TWC, for purposes of the evaluation, to annually update certain information regarding the number of children on waiting lists for child care in each local workforce development area, the number of places reserved for participants in the child-care subsidy program, and participation in the Texas Rising Star program.

C.S.H.B. 680 requires the TWC to measure and evaluate the progress of the TWC subsidized child care program regarding the following:

- coordination by the TWC with the Texas Education Agency (TEA) to assign a Public Education Information Management System (PEIMS) number to children younger than six years of age enrolled in the child care program;
- coordination with TEA, public school districts, and open-enrollment charter schools on any prekindergarten quality improvement efforts;
- efforts to increase coordination between participating providers in the child care program, school districts, and charter schools;
- facilitation of child care provider enrollment in the Texas Rising Star program and progression of providers to the highest rating level in that program; and
- development and implementation of rates and payments, as determined by local workforce development boards, to allow participating providers to provide high-quality child care and to ensure that the TWC meets performance measures established by the legislature for the average number of children served by the child care program per day.

C.S.H.B. 680 requires the TWC to make the information and findings relating to the TWC evaluation of the effectiveness of the subsidized child care program available to school districts, open-enrollment charter schools, and the public and to include in its biennial report to the legislature on that effectiveness the same information relating to participation in the Texas Rising Star program whose assessment the bill's provisions require in the annual evaluation of allocation formulas. The bill requires the TWC policy for obtaining and using input from interested parties regarding its subsidized child care program to include methods for obtaining certain input from TEA, school districts, open-enrollment charter schools, subsidized child care providers, relevant businesses, and the public.

C.S.H.B. 680 authorizes a local workforce development board to contract with child care providers operating in the board's area to provide subsidized child care services and requires the board to determine the number of places that the board reserves in the contract with a child care provider participating in the TWC subsidized child care program. The bill sets out eligibility requirements for a child care provider to receive such a contract, which include being a Texas Rising Star program provider with a three-star rating or higher and meeting one of the TWC priorities as provided by the bill. The bill requires the board, not later than six months after entering into the contract, to submit a report to the TWC evaluating the contract to determine certain specified effects and requires the TWC to determine the information that must be included in the report. The bill requires the board to update the report every six months from the date the board submits its initial report to the TWC.

#### **EFFECTIVE DATE**

September 1, 2019.

#### **COMPARISON OF ORIGINAL AND SUBSTITUTE**

While C.S.H.B. 680 may differ from the original in minor or nonsubstantive ways, the following summarizes the substantial differences between the introduced and committee substitute versions of the bill.

The substitute includes provisions relating to the professional development for child care providers, directors, and employees funded by certain federal dollars that is provided by a local workforce development board.

The substitute includes an authorization for a local workforce development board to contract with child care providers operating in the board's area to provide subsidized child care services.

The substitute does not include a change to an evaluation criterion relating to assessing the average cost of child care in each local workforce development area for certain purposes.