

- SUBJECT:** Defining Head Start and after-school programs as child care
- COMMITTEE:** Economic Development — favorable, with amendment
- VOTE:** 6 ayes — Solis, Keffer, Homer, McClendon, Seaman, Yarbrough
0 nays
3 absent — Clark, Deshotel, Luna
- WITNESSES:** For — Shannon Bishop and Jimmy Wynn, Harris County Department of Education; *Registered but did not testify:* Jason Sabo, Center for Public Policy Priorities
Against — None
On — Nancy Pechacek Hard, Texas Workforce Commission
- BACKGROUND:** The Texas Workforce Commission (TWC) subsidizes child-care costs for some low-income families so that the parents can work or attend training or educational classes. Funding for child-care assistance comes from both state monies and federal block grants. Some of the federal grants are designated as matching funds, and the state must identify expenditures or in-kind services for child care as matching funds to draw down this money. Each local workforce board is responsible for identifying local expenditures or in-kind services for child care to draw down matching funds for that board to use.
- DIGEST:** HB 2769, as amended, would specify that a child who is otherwise eligible for child-care services funded by a local workforce board is eligible to receive those services while enrolled in a federal Head Start program or in after-school care provided at a school.

This bill would take immediate effect if finally passed by a two-thirds record vote of the membership of each house. Otherwise, it would take effect September 1, 2001.
- SUPPORTERS SAY:** HB 2769 would clarify that a child's enrollment in a federal Head Start program or an after-school program provided at a school may be counted as child care by a local workforce development board.

While many communities have chosen to fund extended Head Start hours or other after-school care, some local workforce boards have been reluctant to designate these programs as child care without explicit statutory authority. Since designating a program as child care allows a local workforce board to count the local money spent on that program as child-care match for the purpose of drawing down federal funds, these boards' reluctance has limited the amount of money they can draw down as match for child care.

With nearly 40,000 children on a waiting list to receive child care, the state cannot afford not to draw down as much funding as possible. Moreover, half of the local workforce boards have had to return needed child-care funds to TWC for redistribution to other boards because they could not meet local match requirements or expenditure targets, a process that potentially places the state at risk of losing these funds.

By clearly authorizing local workforce boards to count these programs as child care, HB 2769 would increase the boards' local match-raising capacity, increasing their ability to pull down federal child-care matching dollars and to provide child care to more Texas children.

OPPONENTS
SAY:

HB 2769 is unnecessary, as local workforce development boards already may count a child's enrollment in a federal Head Start program or an after-school program provided at a school as child care for purposes of drawing down federal child-care matching funds.

NOTES:

The committee amendment would to specify that a child would remain "eligible" rather than "entitled" to receive child-care services while enrolled in a federal Head Start program or in after-school care provided at a school.

A related bill, HB 2763 by Solis, would require local workforce boards to count local expenditures or in-kind contributions by local school districts or education agencies as local match to the extent possible. HB 2763 was reported favorably as amended by the House Economic Development Committee on April 5.