

BILL ANALYSIS

Senate Research Center
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S.B. 833
By: Moncrief
Health and Human Services
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DIGEST AND PURPOSE

Under current law, child-care facilities that care for at least 25 percent of their clients at 85 percent of the state median income are eligible for a tax exemption on items for the operation of their child care business. As proposed, S.B. 833 creates a sales tax exemption to child-care centers that serve low-income families. This bill also codifies certain child-care training standards currently in the Department of Protective and Regulatory Services (department) rule and requires 20 hours of annual training in certain subjects for child-care workers. This bill also requires the department to develop a checklist for inspection that eliminates some of the duplicative inspection of day care centers by various state and local regulatory entities and authorizes school districts to pick up and drop off a child at day care if the child's parent designates the day care as the primary address for this purpose.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. SALES AND USE TAX EXEMPTION. (a) Presents legislative findings.

(b) Presents findings of purpose.

(c) Amends Chapter 151H, Tax Code, by adding Section 151.333, as follows:

Sec. 151.333. ITEMS PURCHASED OR USED BY CERTAIN CHILD-CARE FACILITIES. (a) Defines "child-care facility."

(b) Provides that a taxable item sold, leased, or rented to or stored, used, or consumed by a child-care facility that meets the requirements prescribed by Subsection (d) is exempt from the taxes imposed by this chapter if the taxable item is used in the provision of child-care services.

(c) Establishes what items are considered taxable items exempt under this section.

(d) Sets forth requirements for qualifying child-care facilities under this section.

(e) Requires the child-care facility to give the seller an exemption certificate that certifies in writing to the seller that the facility has qualified for exemption under this section and that the taxable item qualifies as exempt under this section.

SECTION 2. NEEDS ASSESSMENT. Amends Chapter 40C, Human Resources Code, by adding Section 40.0526, as follows:

Sec. 40.0526. NEEDS ASSESSMENT FOR CHILD-CARE SERVICES. (a) Requires the

Department of Protective and Regulatory Services (department) to conduct a statewide assessment of the need for child-care services that, at a minimum, performs certain stated functions.

(b) Authorizes the department to work with organizations that provide child-care resources and referrals, including the Texas Association of Child Care Resource and Referral Agencies, to complete the assessment required by Subsection (a).

SECTION 3. TRAINING. Amends Section 42.0421(a), Human Resources Code, to set forth guidelines regarding the requirements for minimum training standards prescribed by the department under Section 42.042(p) for an employee of a day-care center or group day-care home.

SECTION 4. INSPECTIONS. Amends Section 42.0442, Human Resources Code, by adding Subsection (c) to require the interagency task force to establish an inspection checklist based on the inspection protocol developed under Subsection (b). Requires each state agency that inspects a facility listed in Subsection (a) to use the inspection checklist in performing an inspection. Requires the department to collect from each state agency the data gathered from the checklists and enter the data into the inspection information database established under Section 42.0443.

SECTION 5. DESIGNATION OF SCHOOL BUS LOCATION. Amends Section 34.007(b), Education Code, to authorize the county or school board, in establishing and operating the transportation system, to allow a parent to designate a child-care facility, as defined by Section 42.002 (Definitions), Human Resources Code, instead of the child's residence as the regular location for purposes of obtaining transportation under the system to and from the child's school.

SECTION 6. TRANSPORTATION ALLOTMENT. Amends Section 42.155, Education Code, by adding Subsection (k) to prohibit the commissioner of education, notwithstanding any other provision of this section, from reducing the allotment to which a district or county is entitled under this section because the district or county provides transportation for an eligible student to and from a child-care facility, as defined by Section 42.002 (Definitions), Human Resources Code, instead of the student's residence, as authorized by Section 34.007 (Public School Transportation System), Education Code, if the transportation is provided within the approved routes of the district or county for the school the student attends.

SECTION 7. EFFECTIVE DATE. (a) Provides that, except as provided by Subsection (b) of this section, this Act takes effect September 1, 2001.

(b) Provides that Section 151.333, Tax Code, as added by this Act, takes effect October 1, 2001.