

By: Lopez

H.B. No. 1964

A BILL TO BE ENTITLED

AN ACT

relating to a study on the cost of providing quality child care in this state in comparison to family income.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Subchapter D, Chapter 301, Labor Code, is amended by adding Section 301.0701 to read as follows:

Sec. 301.0701. CHILD-CARE STUDY. (a) The commission shall conduct a study in this state regarding the cost, in comparison to family income, of providing child care that meets at least the minimum quality requirements for certification as a three-star rating provider under the Texas Rising Star Program. The study must:

(1) examine statewide and for each local workforce development area the:

(A) trends in the current costs and projections for future costs of providing quality child care;

(B) costs of providing quality child care in comparison to family income based on federal poverty guidelines, state median household incomes, or other relevant income standards;

(C) amount or estimated amount of governmental money available to support subsidized child care over the periods used for the data described in Paragraphs (A) and (B) and the number of children receiving subsidized child care; and

(D) cost of providing quality child care in

1 comparison to the reimbursement rate for subsidized child care and
2 the market rate for providing that level of care; and

3 (2) estimate the number of families eligible to
4 receive subsidized child care.

5 (b) In conducting the study under Subsection (a), the
6 commission shall include the following expenses when calculating
7 the cost of providing the quality child care described by that
8 subsection:

9 (1) the salary and benefits, including insurance, for
10 the employees of the child-care facility;

11 (2) the facility's operating costs, including any rent
12 or mortgage, utility expenses, insurance, and building
13 maintenance;

14 (3) the costs for computer equipment, software, and
15 other technology needed to operate the facility;

16 (4) any costs incurred in obtaining certification
17 under the Texas Rising Star Program, including any certification or
18 assessment fees;

19 (5) the license fees needed to operate the facility;
20 and

21 (6) any other expense the commission considers is
22 necessary to provide the quality child care described by Subsection
23 (a).

24 (c) Not later than December 15, 2022, the commission shall
25 report the results of the study conducted under Subsection (a) to
26 the governor, the lieutenant governor, the speaker of the house of
27 representatives, and each legislative standing committee with

1 jurisdiction over child-care facilities.

2 (d) Not later than December 15, 2024, the commission shall
3 update the study results and provide the update to the governor, the
4 lieutenant governor, the speaker of the house of representatives,
5 and each legislative standing committee with jurisdiction over
6 child-care facilities.

7 (e) This section expires September 1, 2025.

8 SECTION 2. This Act takes effect September 1, 2021.