

Amend House Committee Report for **SB 23** by inserting a new section and renumbering subsequent sections as follows:

SECTION _____. Sections 2308.315 and 2308.316, Government Code, are amended to read as follows:

Sec. 2308.315. REIMBURSEMENT RATES FOR CHILD CARE. Each board may [~~shall~~] establish graduated reimbursement rates for child care based on the Texas Workforce Commission's designated vendor program. If a board establishes graduated reimbursement rates for child care, the [~~The~~] minimum reimbursement rate for designated vendors must be at least five percent greater than the maximum rate established for nondesignated vendors for the same category of care. A [~~The~~] designated vendor rate differential established in this section shall be funded with federal child care development funds dedicated to quality improvement activities.

Sec. 2308.316. FUNDING OF COMPETITIVE PROCUREMENT PROCESS FOR INFANT AND EARLY CHILDHOOD CHILD CARE. Each board may [~~shall~~] allocate a portion of the board's federal child care development funds dedicated to quality improvement activities to a competitive procurement process for a system for quality child care for children under four years of age that encourages child care providers to voluntarily meet the criteria of the Texas Workforce Commission's designated vendor program or national accreditation. If a board allocates [~~In allocating~~] funds under this section, special consideration shall be given to funding child care for children under four years of age in low-income communities. This section may not be interpreted to limit parental choice.