

By: Paxton, et al.

H.B. No. 2959

A BILL TO BE ENTITLED

AN ACT

relating to the use of federal child care and development block grant funds by local workforce development boards.

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

SECTION 1. 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.

1 If a board allocates ~~[In allocating]~~ funds under this section,
2 special consideration shall be given to funding child care for
3 children under four years of age in low-income communities. This
4 section may not be interpreted to limit parental choice.

5 SECTION 2. Subchapter C, Chapter 42, Human Resources Code,
6 is amended by adding Sections 42.061 and 42.062 to read as follows:

7 Sec. 42.061. USE OF CERTAIN DEDICATED CHILD-CARE FUNDS.

8 (a) If the state is required to dedicate more than four percent of
9 the amount of federal child-care development funds for the purposes
10 provided by 42 U.S.C. Section 9858e, the Texas Workforce
11 Commission, unless otherwise required by federal law and
12 notwithstanding any other state law, shall ensure that the
13 additional quality money required will be used to establish and
14 implement the grant program for quality improvement activities
15 under Section 42.062.

16 (b) The Texas Workforce Commission shall enter into a
17 memorandum of understanding with the department under which:

18 (1) the commission transfers the dedicated funds in
19 excess of four percent as described by Subsection (a) to the
20 department; and

21 (2) the department uses the transferred funds to
22 implement the grant program for quality improvement activities
23 under Section 42.062.

24 Sec. 42.062. QUALITY IMPROVEMENT ACTIVITIES FOR CHILD-CARE
25 SERVICES. (a) Subject to the availability of funds under Section
26 42.061 or from another source, the executive commissioner by rule
27 shall establish a program under which the department awards grants

1 to child-care providers and community-based organizations for use
2 in providing quality improvement activities to improve the quality
3 and availability of child-care services.

4 (b) The executive commissioner by rule shall prescribe
5 eligibility criteria for receipt of a grant under the program.

6 (c) In developing the program under this section, the
7 executive commissioner shall adopt a list of quality improvement
8 activities for which a provider or organization is eligible to
9 receive funding through the program. The list of activities must
10 include:

11 (1) comprehensive consumer education encompassing:

12 (A) parent education programs;

13 (B) publication of quality indicators to
14 evaluate child-care services;

15 (C) data collection regarding child-care and
16 early childhood education programs; and

17 (D) parent referral services;

18 (2) professional development activities for
19 providers, including:

20 (A) training, educational materials, or
21 technical assistance;

22 (B) scholarship information and assistance; and

23 (C) strategies to increase salaries or other
24 forms of compensation;

25 (3) teacher training programs, mentoring programs, or
26 other programs or activities that promote early development of
27 language, literacy, and mathematical skills in young children;

1 (4) programs or activities that promote inclusive
2 child care;

3 (5) activities promoted by the State Center for Early
4 Childhood Development and other activities designed to promote the
5 school readiness of young children;

6 (6) use of infant and toddler specialists to educate
7 parents and provide training and technical assistance to child-care
8 providers; and

9 (7) other activities the department determines will
10 increase parental choice and improve the quality and availability
11 of child-care services.

12 (d) To the extent allowed by federal law, the department
13 shall use federal child-care development funds transferred under
14 Section 42.061 for the purposes of the program. The department may
15 use other available funds for the purposes of the program.

16 (e) In developing the program, the executive commissioner
17 shall ensure that the department administers the program in a
18 manner that allows local providers and organizations to choose
19 which of the quality improvement activities described by Subsection
20 (c) the provider or organization wants to provide under the
21 program.

22 (f) In awarding grants under the program, the department
23 shall give priority to quality improvement activities for programs
24 that serve infants and toddlers younger than three years of age.

25 (g) The department shall submit to the legislature an annual
26 report regarding the operation of the program during the preceding
27 year. At a minimum, the report must include the number and total

1 amount of grants awarded by the department during the period
2 covered by the report.

3 SECTION 3. As soon as practicable after the effective date
4 of this Act, the executive commissioner of the Health and Human
5 Services Commission shall adopt rules necessary for the
6 implementation of Section 42.062, Human Resources Code, as added by
7 this Act.

8 SECTION 4. This Act takes effect September 1, 2005.