

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 79TH LEGISLATIVE REGULAR SESSION

April 5, 2005

TO: Honorable Suzanna Gratia Hupp, Chair, House Committee on Human Services

FROM: John S. O'Brien, Deputy Director, Legislative Budget Board

IN RE: HB2324 by Villarreal (Relating to quality improvement activities for certain subsidized child-care services.), **As Introduced**

No significant fiscal implication to the State is anticipated.

The provisions of the bill amend the Texas Government Code regarding quality improvement activities for subsidized child care services. The provisions require the Texas Workforce Commission (TWC) to establish rules and eligibility criteria for a program in which Local Workforce Development Boards (LWDB) provide grants to child care facilities and community-based organizations for quality activities designed to improve the quality and availability of subsidized child care in each workforce development area. The provisions require that the quality improvement activities, as adopted by TWC, be designed to improve the child care program in areas other than direct care.

According to TWC, for any amount increased for quality activities, the same amount will not be available for direct child care. Every 1 percent of total allocated child care funds (i.e., \$428.9 million estimated in fiscal year 2006) represents the ability of workforce boards to serve 1,183 children in At-Risk child care for working poor families for every day for one year. Therefore, if 1 percent were expended on quality activities, then funding would not be available for 1,183 children per day/year in At-Risk child care.

TWC shall submit an annual report to the legislature regarding the operation of the program during the preceding year. At a minimum, the report must include the number and total amount of grants awarded by each board during the period covered by the report.

TWC anticipates any additional work resulting from the passage of the bill could be reasonably absorbed within current resources.

The bill would take effect September 1, 2005.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 320 Texas Workforce Commission, 530 Department of Family and Protective Services

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