

BILL ANALYSIS

C.S.H.B. 376
By: Strama
Human Services
Committee Report (Substituted)

BACKGROUND AND PURPOSE

In 2009, Governor Rick Perry established the Texas Early Learning Council to research early childhood education and child care with the purpose of providing recommendations that would lead to higher success rates for children entering kindergarten. Industry experts assert that the council's research has confirmed that children who are fortunate enough to have high-quality child care and early education before they start kindergarten are better prepared for school and are more likely to excel in pre-reading, reading, and math. These experts further assert that such children are more likely to demonstrate the social and emotional skills needed to succeed in school, are less frequently assigned to special education classes, and are less likely to be retained in a grade.

C.S.H.B. 376 intends to implement some of the recommendations of the Texas Early Learning Council by enhancing the Texas Workforce Commission's Texas Rising Star Program, which is a voluntary, quality-based child-care rating system.

RULEMAKING AUTHORITY

It is the committee's opinion that rulemaking authority is expressly granted to the Texas Workforce Commission in SECTIONS 4 and 9 of this bill.

ANALYSIS

C.S.H.B. 376 amends the Government Code to establish the Texas Rising Star Program as a voluntary, quality-based child-care rating system of child-care providers participating in the Texas Workforce Commission's (TWC) subsidized child-care program. The bill requires TWC to adopt rules to administer the Texas Rising Star Program, including guidelines for rating a child-care provider who provides child care to a child younger than 13 years of age enrolled in the subsidized program, and requires TWC to make money available to each local workforce development board to hire necessary employees to provide technical assistance to Texas Rising Star Program providers from the child-care and development block grant. The bill authorizes a local workforce development board to use money available from other public or private sources to hire necessary employees for the program.

C.S.H.B. 376 removes a requirement that the reimbursement rate for a Texas Rising Star Program provider be at least five percent greater than the maximum rate established for a provider who is not a Texas Rising Star Program provider for the same category of care and instead establishes the following reimbursement rates: at least five percent higher for a provider with a two-star rating, at least seven percent higher for a provider with a three-star rating, and at least nine percent higher for a provider with a four-star rating. The bill removes from the requirement that the program rate differential be funded with federal child-care development funds the condition that such funds be dedicated to quality improvement activities and prohibits a local workforce development board from reimbursing a provider under the new rates before the date any revisions to rules recommended by the Texas Rising Star Program review work group are adopted by TWC.

C.S.H.B. 376 requires each local workforce development board to provide technical assistance to Texas Rising Star Program providers and to providers seeking certification under the program, including providing the following: a child development specialist to serve as an evaluator of the provider during the certification process; a mentor or coach to a Texas Rising Star Program provider to meet regularly with the provider and provide child-care resources to the provider, including developmentally appropriate books, materials, and equipment; consumer information regarding the selection of quality child care for parents of children enrolled in the program; and parenting education information for parents of children enrolled in the program, including information about parenting classes that are available in the area or on the Internet.

C.S.H.B. 376, in a provision requiring a local workforce development board to allocate certain funds to a competitive procurement process for a system of quality child care for children under four years of age that encourages child-care providers to voluntarily meet certain criteria, removes national accreditation criteria from the criteria the competitive procurement process is required to encourage child-care providers to meet. The bill expands the required uses of certain federal child-care development funds dedicated to quality improvement activities to include quality child-care programs whose director receives mentoring or that are in the process of obtaining a Texas Rising Star Program rating; technical assistance provided by a local workforce development board to a Texas Rising Star Program provider; professional development for child-care providers, directors, and employees; educational materials for children served by child-care providers; and educational information for parents important for the development of a child under five years of age. The bill requires each local workforce development board to use at least two percent of the board's yearly allocation from TWC for quality child-care initiatives and authorizes a board to use money available from other public or private sources for quality child-care initiatives. The bill requires each local workforce development board annually to report to TWC regarding the board's use of the two percent allocation.

C.S.H.B. 376 specifies that each local workforce development board is required to provide information on child-care quality indicators to, rather than for, each licensed or registered child-care provider in the area. The bill requires a local workforce development board to post in a prominent place on the home page of the board's Internet website and at any physical location where the board provides services a list of local parenting classes and a list of local designated vendors that are child-care providers and have certain quality child-care indicators. The bill requires a child-care provider who receives funding or reimbursement for child-care services from a local workforce development board to post a certification or accreditation considered to be a quality child-care indicator at the entrance of the provider's facility.

C.S.H.B. 376 adds a temporary provision, set to expire December 1, 2014, establishing the Texas Rising Star Program review work group to propose revisions to TWC rules on the Texas Rising Star Program. The bill establishes the composition of the work group and requires the executive director of TWC to appoint the members of the work group on September 1, 2013. The bill requires the work group to hold the group's initial meeting not later than November 1, 2013, and to meet at other times as determined by the presiding officer. The bill requires the work group to elect a presiding officer by a vote of the membership of the work group and, not later than May 1, 2014, to submit to the executive director of TWC recommendations proposing revisions to TWC guidelines relating to the Texas Rising Star Program. The bill specifies the matters the work group is required to consider in making such recommendations and requires TWC, not later than September 1, 2014, to propose rules that incorporate the proposed revisions submitted by the work group.

C.S.H.B. 376 amends the Education Code to make conforming and nonsubstantive changes.

EFFECTIVE DATE

September 1, 2013.

COMPARISON OF ORIGINAL AND SUBSTITUTE

While C.S.H.B. 376 may differ from the original in minor or nonsubstantive ways, the following comparison is organized and highlighted in a manner that indicates the substantial differences between the introduced and committee substitute versions of the bill.

INTRODUCED

SECTION 1. Section 29.158(d), Education Code, is amended.

SECTION 2. Section 2155.202, Government Code, is amended.

SECTION 3. Section 2308.315, Government Code, is amended to read as follows:

Sec. 2308.315. REIMBURSEMENT RATES FOR CHILD CARE. (a) Each board shall establish graduated reimbursement rates for child care based on the commission's Texas Rising Star Program [~~Texas Workforce Commission's designated vendor program~~].

(b) The minimum reimbursement rate for a Texas Rising Star Program provider [~~designated vendors~~] must be [~~at least five percent~~] greater than the maximum rate established for a provider who is not a Texas Rising Star Program provider [~~nondesignated vendors~~] for the same category of care. The reimbursement rate must be:

(1) at least five percent higher for a provider with a two-star rating;

(2) at least seven percent higher for a provider with a three-star rating; and

(3) at least nine percent higher for a provider with a four-star rating.

(c) The Texas Rising Star Program [~~designated vendor~~] rate differential established in this section shall be funded with federal child care development funds [~~dedicated to quality improvement activities~~].

HOUSE COMMITTEE SUBSTITUTE

SECTION 1. Same as introduced version.

SECTION 2. Same as introduced version.

SECTION 3. Section 2308.315, Government Code, is amended to read as follows:

Sec. 2308.315. REIMBURSEMENT RATES FOR CHILD CARE. (a) Each board shall establish graduated reimbursement rates for child care based on the commission's Texas Rising Star Program [~~Texas Workforce Commission's designated vendor program~~].

(b) The minimum reimbursement rate for a Texas Rising Star Program provider [~~designated vendors~~] must be [~~at least five percent~~] greater than the maximum rate established for a provider who is not a Texas Rising Star Program provider [~~nondesignated vendors~~] for the same category of care. The reimbursement rate must be:

(1) at least five percent higher for a provider with a two-star rating;

(2) at least seven percent higher for a provider with a three-star rating; and

(3) at least nine percent higher for a provider with a four-star rating.

(c) The Texas Rising Star Program [~~designated vendor~~] rate differential established in this section shall be funded with federal child care development funds [~~dedicated to quality improvement activities~~].

(d) Notwithstanding Subsection (b), a board may not reimburse a provider under the reimbursement rates provided by Subsection (b) before the date any revisions to rules recommended by the Texas Rising Star Program review work group under Section 2308.321 are adopted by the commission.

SECTION 4. Subchapter G, Chapter 2308, Government Code, is amended.

SECTION 5. Section 2308.316, Government Code, is amended

SECTION 6. Section 2308.317, Government Code, is amended by amending Subsection (a) and adding Subsections (c) and (d) to read as follows:

(a) Notwithstanding any other law, the commission ~~[Texas Workforce Commission]~~ shall ensure that, to the extent federal child care development funds dedicated to quality improvement activities are used to improve quality and availability of child care, those funds are used [only] for:

(1) quality child care programs, including programs:

(A) whose director receives mentoring; or

(B) that are in the process of obtaining a Texas Rising Star Program rating;

(2) technical assistance for providers as described by Section 2308.320;

(3) professional development for child care providers, directors, and employees;

(4) educational materials for children served by child care providers; and

(5) educational information for parents important for the development of a child under five years of age.

(c) Each board shall use at least two percent of the board's yearly allocation from the commission for quality child care initiatives that contribute to kindergarten readiness. In addition, a board may use money available from other public or private sources for quality child care initiatives.

(d) Each board shall annually report to the commission regarding the board's use of the two percent allocation described by Subsection (c).

SECTION 7. Section 2308.3171, Government Code, is amended to read as follows:

Sec. 2308.3171. INFORMATION ON QUALITY CHILD CARE. (a) In this section, "quality child-care indicator" means

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(1) quality child care programs, including programs:

(A) whose director receives mentoring; or

(B) that are in the process of obtaining a Texas Rising Star Program rating;

(2) technical assistance for providers as described by Section 2308.320;

(3) professional development for child care providers, directors, and employees;

(4) educational materials for children served by child care providers; and

(5) educational information for parents important for the development of a child under five years of age.

(c) Each board shall use at least two percent of the board's yearly allocation from the commission for quality child care initiatives. In addition, a board may use money available from other public or private sources for quality child care initiatives.

(d) Each board shall annually report to the commission regarding the board's use of the two percent allocation described by Subsection (c).

SECTION 7. Section 2308.3171, Government Code, is amended to read as follows:

Sec. 2308.3171. INFORMATION ON QUALITY CHILD CARE. (a) In this section, "quality child-care indicator" means

any appropriate indicator of quality services, including whether the provider of the services:

(1) meets ~~[the]~~ Texas Rising Star Program certification ~~[Provider]~~ criteria ~~[described by commission rules]~~;

(2) is accredited by a nationally recognized accrediting organization approved by the commission;

(3) is certified under the school readiness certification system established under Section 29.161, Education Code;

(4) meets standards developed under Section 29.155(g), Education Code; or

(5) has achieved any other measurable target that is relevant to improving the quality of child care in this state and that has been approved by the commission.

(b) Each board shall provide information on quality child-care indicators to ~~[for]~~ each licensed or registered child-care provider in the area. Each board shall determine the manner in which to provide this information.

(c) Each board shall post on the board's Internet website and at any physical location where the board provides services:

(1) a list of local designated vendors that are child-care providers and have a quality child-care indicator listed in Subsection (a)(1), (2), (3), or (4); and

(2) a list of local parenting classes ~~[determine the manner in which to provide the information required by this section].~~

(d) A child-care provider who receives funding or reimbursement for child-care services from a board shall post a certification or accreditation described by Subsection (a) at the entrance of the provider's facility.

SECTION 8. Subchapter G, Chapter 2308, Government Code, is amended.

SECTION 9. Subchapter G, Chapter 2308, Government Code, is amended by adding Section 2308.321 to read as follows:

Sec. 2308.321. TEXAS RISING STAR PROGRAM REVIEW WORK GROUP. (a) The Texas Rising Star Program review work group is established to propose revisions to the commission's rules on the Texas Rising

any appropriate indicator of quality services, including whether the provider of the services:

(1) meets ~~[the]~~ Texas Rising Star Program certification ~~[Provider]~~ criteria ~~[described by commission rules]~~;

(2) is accredited by a nationally recognized accrediting organization approved by the commission;

(3) is certified under the school readiness certification system established under Section 29.161, Education Code;

(4) meets standards developed under Section 29.155(g), Education Code; or

(5) has achieved any other measurable target that is relevant to improving the quality of child care in this state and that has been approved by the commission.

(b) Each board shall provide information on quality child-care indicators to ~~[for]~~ each licensed or registered child-care provider in the area. Each board shall determine the manner in which to provide this information.

(c) Each board shall post ~~in a prominent place~~ on the board's Internet website ~~home page~~ and at any physical location where the board provides services:

(1) a list of local designated vendors that are child-care providers and have a quality child-care indicator listed in Subsection (a)(1), (2), (3), or (4); and

(2) a list of local parenting classes ~~[determine the manner in which to provide the information required by this section].~~

(d) A child-care provider who receives funding or reimbursement for child-care services from a board shall post a certification or accreditation described by Subsection (a) at the entrance of the provider's facility.

SECTION 8. Same as introduced version.

SECTION 9. Subchapter G, Chapter 2308, Government Code, is amended by adding Section 2308.321 to read as follows:

Sec. 2308.321. TEXAS RISING STAR PROGRAM REVIEW WORK GROUP. (a) The Texas Rising Star Program review work group is established to propose revisions to the commission's rules on the Texas Rising

Star Program.

(b) The work group consists of the following members appointed by the executive director of the commission:

(1) at least one member from the commission;

(2) at least one member from the Department of Family and Protective Services;

(3) at least one member from the Texas Education Agency;

(4) at least one member from the governor's Texas Early Learning Council who participated on the Quality Rating and Improvement System subcommittee;

(5) at least one member who is appointed to a workforce development board;

(6) at least **three** members who are Texas Rising Star Program providers with different Texas Rising Star Program ratings:

(A) at least one of whom must be a for-profit private provider;

(B) at least one of whom must be a single-site provider; and

(C) at least one of whom must be a multi-site provider;

(7) at least one provider who has participated in the Texas School Ready! project; and

(8) at least three members employed by different boards who work in the employing board's child care program and have experience and expertise in early childhood development or the Texas Rising Star Program or other similar certification or accreditation programs.

(c) The work group shall hold the group's initial meeting not later than November 1, 2013, and shall meet at other times as determined by the presiding officer.

(d) The work group shall elect a presiding officer by a vote of the membership of the work group.

(e) Not later than May 1, 2014, the work group shall submit to the executive director of the commission recommendations proposing revisions to the commission's guidelines relating to the Texas Rising Star Program. In making its recommendations, the work group shall consider:

(1) professional development standards for child care directors and employees,

Star Program.

(b) The work group consists of the following members appointed by the executive director of the commission:

(1) at least one member from the commission;

(2) at least one member from the Department of Family and Protective Services;

(3) at least one member from the Texas Education Agency;

(4) at least one member from the governor's Texas Early Learning Council who participated on the Quality Rating and Improvement System subcommittee;

(5) at least one member who is appointed to a workforce development board;

(6) at least **four** members who are Texas Rising Star Program providers with different Texas Rising Star Program ratings:

(A) at least one of whom must be a for-profit private provider;

(B) at least one of whom must be a single-site provider;

(C) at least one of whom must be a multi-site provider; and

(D) at least one of whom must be an individual who provides child-care in the provider's own home;

(7) at least one provider who has participated in the Texas School Ready! project; and

(8) at least three members employed by different boards who work in the employing board's child care program and have experience and expertise in early childhood development or the Texas Rising Star Program or other similar certification or accreditation programs.

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(d) The work group shall elect a presiding officer by a vote of the membership of the work group.

(e) Not later than May 1, 2014, the work group shall submit to the executive director of the commission recommendations proposing revisions to the commission's guidelines relating to the Texas Rising Star Program. In making its recommendations, the work group shall consider:

(1) professional development standards for child care directors and employees,

including training and annual professional development requirements;
(2) education and experience requirements for mentors and evaluators;
(3) early learning and school readiness standards;
(4) guidelines for infants and toddlers in child care;
(5) requirements regarding staff-to-child ratios and group sizes;
(6) training hours for providers;
(7) playground standards;
(8) best practices guidelines based on standards adopted by nationally recognized organizations, including Head Start Program Performance Standards, National Health and Safety Performance Standards, National Association of the Education of Young Children program standards and accreditation criteria, National Association for Family Child Care standards, United States Department of Defense standards, national accreditation standards, and School Ready certification standards;
(9) research on infant and toddler brain development; and
(10) strategies for the long-term financing of the Texas Rising Star Program, including financing the payment of:
(A) incentives to child-care providers participating in the program; and
(B) grants and rewards to child-care providers that achieve and maintain high levels of service.
(f) Not later than September 1, 2014, the commission shall propose rules that incorporate the proposed revisions submitted by the work group under Subsection (e).
(g) The executive director of the commission shall make the appointments under this section on September 1, 2013.
(h) This section expires December 1, 2014.

SECTION 10. This Act takes effect September 1, 2013.

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(B) grants and rewards to child-care providers that achieve and maintain high levels of service.
(f) Not later than September 1, 2014, the commission shall propose rules that incorporate the proposed revisions submitted by the work group under Subsection (e).
(g) The executive director of the commission shall make the appointments under this section on September 1, 2013.
(h) This section expires December 1, 2014.

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