

BILL ANALYSIS

C.S.H.B. 660
By: Strama
Economic & Small Business Development
Committee Report (Substituted)

BACKGROUND AND PURPOSE

Numerous research studies have shown a correlation between a teacher's education level and student achievement. Some research has also found that the quality of early childhood education programs and student achievement are related to teacher education and that sensitive and appropriate caregiving necessary for effective teaching is directly correlated with more years of early childhood training at the college level. It is also reported that children score better on cognitive and social competence tests when teachers have more formal education and specialized training in early childhood education or child development.

Interested parties assert that teachers in early childhood care and education typically earn lower wages than elementary, middle, and high school teachers. Additionally, it is reported that linking education and compensation will help meet the need for a highly educated early childhood care and education workforce and reduce teacher turnover. Nationally, turnover rate in these fields is very high, which can negatively impact a student's ability to form relationships and can ultimately inhibit academic success.

C.S.H.B. 660 seeks to address these issues by providing an academic and financial incentive for individuals seeking higher level coursework in professional child-care training and education.

RULEMAKING AUTHORITY

It is the committee's opinion that rulemaking authority is expressly granted to the Texas Workforce Commission in SECTIONS 1 and 2 of this bill.

ANALYSIS

C.S.H.B. 660 amends the Labor Code to require, rather than authorize, the Texas Workforce Commission (TWC) to develop and administer a scholarship program for professional child-care training and education and removes the specification that the scholarships be in the amount of \$1,000 each. The bill removes from the authorized uses of scholarship funds the payment of expenses associated with obtaining Certified Child-Care Professional (CCP) credentials or a level one certificate in the area of child development or early childhood education from a public or private institution of higher education. The bill includes among the authorized uses of scholarship funds the payment of expenses associated with obtaining a bachelor's degree in the field of child development, early childhood education, or family and child studies and specifies that the Child Development Associate (CDA) national credentials to be obtained through the authorized use of scholarship funds are credentials administered by the Council for Professional Recognition or a comparable nationally recognized entity that credentials professionals in the early childhood education or child development field.

C.S.H.B. 660 expands the work requirement for scholarship eligibility to require specifically that the child-care worker work at a child-care facility that has agreed to sponsor the child-care worker for at least 30 hours each week and at a pay rate that is less than \$15 per hour, and adds a requirement for the child-care worker to agree to pay the percentage of the applicable costs of

books, credentialing fees, or tuition and fees associated with obtaining an applicable credential or degree prescribed by TWC rule. The bill removes as a condition of eligibility the requirement that a recipient agree to work at least 18 additional months in a child-care facility that accepts federal Child Care Development Fund subsidies and is located within the attendance zone of a public school campus considered low-performing or in an economically disadvantaged community and instead requires a recipient to agree to work for the sponsoring child-care facility for at least the length of time prescribed by TWC rule. The bill requires a child-care facility that agrees to sponsor a child-care worker who receives a scholarship to provide the child-care worker with paid time off as prescribed by TWC rule and any bonus or wage supplementation to which the child-care worker is entitled and to pay the percentage of the applicable costs of books, credentialing fees, or tuition and fees associated with obtaining an applicable credential or degree prescribed by TWC rule. The bill removes the prohibition against a person receiving more than one scholarship.

C.S.H.B. 660 removes a condition limiting TWC's authorization to provide payment of a bonus or wage supplementation to a scholarship recipient who, for 18 months after the date of receiving a scholarship, provides care for children younger than six years of age while remaining in the employment of the child-care facility that employed the person when the scholarship was awarded and instead entitles a recipient who successfully obtains an applicable credential or degree and satisfies any other prescribed program requirement to the payment of such a bonus or wage supplementation. The bill requires such a bonus or wage supplementation to be paid by both the recipient's sponsoring child-care facility and TWC in shares prescribed by TWC rule, rather than in equal shares by both parties. The bill reduces the cap on total funding for such scholarships and payment of bonuses and wage supplementation from \$2 million per state biennium to \$1 million per state biennium.

C.S.H.B. 660 specifies that TWC rules, among other requirements, must establish criteria for the award of scholarships under which priority is given to certain child-care workers and ensure that TWC has procedures for recovering scholarship money from a recipient who fails to comply with the length-of-service requirement prescribed by the bill or any other requirement imposed by TWC. The bill requires TWC to adopt rules for the administration of the bill's provisions, as soon as practicable following the effective date of the bill, but not later than January 1, 2014.

EFFECTIVE DATE

September 1, 2013.

COMPARISON OF ORIGINAL AND SUBSTITUTE

While C.S.H.B. 660 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 302.006, Labor Code, is amended to read as follows:

Sec. 302.006. PROFESSIONAL CHILD-CARE TRAINING SCHOLARSHIPS, BONUSES, AND WAGE SUPPLEMENTATION. (a) In this section:
(1) "Child-care facility" has the meaning assigned by Section 42.002, Human Resources Code.
(2) "Institution of higher education" has the

HOUSE COMMITTEE SUBSTITUTE

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(1) "Child-care facility" has the meaning assigned by Section 42.002, Human Resources Code.
(2) "Institution of higher education" has the

meaning assigned by Section 61.003, Education Code.

(a-1) The commission shall ~~[may]~~ develop and administer a program under which the commission awards scholarships to eligible child-care workers ~~[in the amount of \$1,000 each for professional child-care training to eligible recipients].~~

(b) A recipient may use ~~[a]~~ scholarship funds awarded under this section only to pay expenses associated with obtaining:

(1) Child Development Associate (CDA) national credentials administered by the Council for Professional Recognition or a comparable nationally recognized entity that credentials professionals in the early childhood education or child development field;

(2) an [Certified Child-Care Professional (CCP) credentials; or

~~[(3) a level one certificate or]~~ associate's degree in the field [area] of child development or early childhood education awarded by an [from a public or private] institution of higher education; or

(3) a bachelor's degree in the field of child development, early childhood education, or family and child studies awarded by an institution of higher education.

(c) To be eligible to receive a scholarship ~~[awarded]~~ under this section, a child-care worker [person] must:

(1) be employed by [in] a child-care facility that has agreed to sponsor the child-care worker in accordance with Subsection (d):

(A) for at least 30 hours each week; and
(B) at a pay rate that is less than \$15 per hour [; as defined by Section 42.002, Human Resources Code];

(2) intend to obtain a credential~~;~~ certificate; or degree specified in Subsection (b);

(3) agree to work for the sponsoring [at least 18 additional months in a] child-care facility for at least the length of time prescribed by commission rule for purposes of this subdivision; [; as defined by Section 42.002, Human Resources Code, that accepts federal Child Care Development Fund subsidies and that, at the time the person begins to fulfill the work requirement imposed by this subdivision, is located:

~~[(A) within the attendance zone of a public school campus considered low-performing~~

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~~[(A) within the attendance zone of a public school campus considered low-performing~~

~~under Subchapter E, Chapter 39, Education Code; or~~

~~[(B) in an economically disadvantaged community, as determined by the commission; and]~~

~~(4) agree to pay the percentage of the applicable costs of books, credentialing fees, or tuition and fees associated with obtaining a credential or degree specified in Subsection (b) prescribed by commission rule for purposes of this subdivision; and~~

~~(5) satisfy any other requirements adopted by the commission.~~

~~(d) A child-care facility that agrees to sponsor a child-care worker under this section must:~~

~~(1) provide the child-care worker with:~~

~~(A) paid time off as prescribed by commission rule; and~~

~~(B) any bonus or wage supplementation to which the child-care worker is entitled under Subsection (e); and~~

~~(2) pay the percentage of the applicable costs of books, credentialing fees, or tuition and fees associated with obtaining a credential or degree specified in Subsection (b) prescribed by commission rule for purposes of this subdivision. [A person may not receive more than one scholarship awarded under this section.]~~

~~(e) A scholarship recipient who successfully obtains a credential or degree specified in Subsection (b) and satisfies any other program requirement prescribed by this section or a rule adopted under this section is entitled to the [In addition, the commission may provide for] payment of a bonus or wage supplementation [to a scholarship recipient who for 18 months after the date of receiving the scholarship provides care for children younger than six years of age while remaining in the employment of the child-care facility that employed the person when the scholarship was awarded and that meets the requirements of Subsection (c)(3)]. Any bonus or wage supplementation provided under this subsection shall be paid by both the recipient's sponsoring child-care facility [in equal shares by the scholarship recipient's employer] and the commission in shares prescribed by commission rule. The commission shall determine the amount of any bonus and the amount and duration of any wage supplementation provided under~~

~~under Subchapter E, Chapter 39, Education Code; or~~

~~[(B) in an economically disadvantaged community, as determined by the commission; and]~~

~~(4) agree to pay the percentage of the applicable costs of books, credentialing fees, or tuition and fees associated with obtaining a credential or degree specified in Subsection (b) prescribed by commission rule for purposes of this subdivision; and~~

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this subsection.

(f) The commission shall fund scholarships and any bonuses or wage supplementation provided under this section through federal Child Care Development funds or other funding sources available to the commission. Total funding may not exceed \$1 [\$2] million per state biennium.

(g) The commission shall adopt rules necessary to implement this section. The rules must include provisions that:

(1) address the computation of the length-of-service [~~18-month-service~~] requirement prescribed under [~~by~~] Subsection (c)(3) [~~(e)~~]; and

(2) ensure that the commission has procedures for recovering [~~may recover~~] scholarship money from a recipient who fails to comply with that length-of-service [~~service~~] requirement or any other requirement imposed by the commission.

SECTION 2. The Texas Workforce Commission shall adopt rules for the administration of Section 302.006, Labor Code, as amended by this Act, as soon as practicable following the effective date of this Act, but not later than January 1, 2014.

SECTION 3. This Act takes effect September 1, 2013.

this subsection.

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(g) The commission shall adopt rules necessary to implement this section. The rules must include provisions that:

(1) address the computation of the length-of-service [~~18-month-service~~] requirement prescribed under [~~by~~] Subsection (c)(3) [~~(e)~~]; ~~and~~

(2) establish criteria for the award of scholarships under this section under which priority is given to child-care workers employed:

(A) in child-care care programs serving children whose care is subsidized through money received under the Child Care and Development Block Grant Act of 1990 (42 U.S.C. Section 9858 et seq.); or

(B) by child-care facilities that:

(i) are working toward Texas Rising Star certification; or

(ii) are Texas Rising Star certified providers working toward a higher certification level;
and

(3) ensure that the commission has procedures for recovering [~~may recover~~] scholarship money from a recipient who fails to comply with that length-of-service [~~service~~] requirement or any other requirement imposed by the commission.

SECTION 2. Same as introduced version.

SECTION 3. Same as introduced version.