

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION

April 12, 2017

TO: Honorable Angie Chen Button, Chair, House Committee on Economic & Small Business Development

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB3323 by Deshotel (Relating to the evaluation of and improvements to the quality of the Texas Workforce Commission's subsidized child care program.), **As Introduced**

No significant fiscal implication to the State is anticipated.

The bill would amend the Labor Code relating to the evaluation of and improvements to the quality of the Texas Workforce Commission's (TWC) subsidized child care program. The bill would require TWC to evaluate additional information regarding the subsidized child care program, including the total number and percentage of children enrolled in the Texas Rising Star (TRS) program. The bill would also require TWC to conduct an annual survey in each local workforce development area to determine the average cost incurred and price charged by child care providers for child care services.

Based on information provided by TWC, it is estimated that implementing the provisions of the bill would incur one-time costs to develop the survey and ongoing costs to administer the survey from the TWC Federal Funds Account 5026. TWC does not currently collect certain data required under the provisions of the bill and indicates costs associated with data collection, which would be paid for from available federal Child Care and Development Funds. This would reduce the amount of available funds for child care services and would decrease the average number of children served per day. The agency estimates that approximately 91 fewer children would be served per day in fiscal year 2018 and approximately 32 fewer children would be served per day each year thereafter.

Based on the LBB's analysis of TWC and the Texas Education Agency, this analysis assumes the duties and responsibilities associated with implementing the provisions of the bill could be accomplished by utilizing existing resources. The bill would take effect September 1, 2017.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 320 Texas Workforce Commission, 701 Texas Education Agency

LBB Staff: UP, CL, EH, CP, KCA, AW