

AN ACT

relating to establishing reimbursement rates for certain child-care providers participating in the subsidized child-care program administered by the Texas Workforce Commission.

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

SECTION 1. Subchapter G, Chapter 2308, Government Code, is amended by amending Section 2308.315 and adding Section 2308.3151 to read as follows:

Sec. 2308.315. REIMBURSEMENT RATES FOR CHILD-CARE PROVIDERS [~~CHILD-CARE~~]. Each board shall establish and implement graduated reimbursement rates for child-care providers participating in the commission's subsidized child-care program that align the commission's age groupings with the child-to-caregiver ratios and group sizes adopted by the Health and Human Services Commission. The graduated rates shall provide the highest reimbursement rate to child-care providers that provide care to children in the age group with the lowest child-to-caregiver ratio. The commission shall supply any demographic data needed by the board to establish the rates.

Sec. 2308.3151. REIMBURSEMENT RATES FOR TEXAS RISING STAR PROGRAM PROVIDERS. (a) Each board shall establish graduated reimbursement rates for child care based on the commission's Texas Rising Star Program.

(b) The minimum reimbursement rate for a Texas Rising Star

1 Program provider must be greater than the maximum rate established
2 for a provider who is not a Texas Rising Star Program provider for
3 the same category of care. The reimbursement rate must be:

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

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

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

10 (c) The Texas Rising Star Program rate differential
11 established in this section shall be funded with federal child-care
12 [~~child care~~] development funds.

13 (d) The commission shall examine and implement strategies
14 to address the increased costs a Texas Rising Star Program provider
15 with a four-star or three-star rating would incur to provide care to
16 infants and toddlers due to low child-to-caregiver ratios for
17 children in those age groups. [~~Notwithstanding Subsection (b), a~~
18 ~~board may not reimburse a provider under the reimbursement rates~~
19 ~~provided by Subsection (b) before the date any revisions to rules~~
20 ~~recommended by the Texas Rising Star Program review work group~~
21 ~~under Section 2308.321 are adopted by the commission.~~]

22 SECTION 2. Not later than December 1, 2023, each local
23 workforce development board shall establish the child-care
24 reimbursement rates required under Section 2308.315, Government
25 Code, as amended by this Act.

26 SECTION 3. This Act takes effect September 1, 2021.

President of the Senate

Speaker of the House

I hereby certify that S.B. No. 1555 passed the Senate on April 29, 2021, by the following vote: Yeas 31, Nays 0.

Secretary of the Senate

I hereby certify that S.B. No. 1555 passed the House on May 5, 2021, by the following vote: Yeas 120, Nays 23, one present not voting.

Chief Clerk of the House

Approved:

Date

Governor