

BILL ANALYSIS

C.S.H.B. 2923
By: Dutton
Public Education
Committee Report (Substituted)

BACKGROUND AND PURPOSE

During the 86th Legislative Session, the legislature passed H.B. 3, which required public schools to offer free, full-day prekindergarten to eligible four-year-old students. However, some schools do not have the capacity to accommodate the influx of students, while community-based child-care providers have raised concerns regarding declines in their own enrollments. Community-based child-care providers must either increase costs to continue to provide high-quality infant and toddler care or exit the market altogether. In order to address this consequence, the legislature has incentivized prekindergarten partnerships. The impetus to partner with these providers is on the school district, but those partnerships have rarely materialized. Few schools have contracted with providers, despite facing limited resources and lack of facility space. While these partnerships should have addressed the concerns of facility space and access to early child care for working parents, that has not been the outcome. High-quality partnerships can address both the problem of limited facility space and economic concerns. C.S.H.B. 2923 requires partnerships with a school district under certain circumstances and provides for an additional allotment for students enrolled in a prekindergarten class provided through certain partnerships.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

RULEMAKING AUTHORITY

It is the committee's opinion that rulemaking authority is expressly granted to the commissioner of education in SECTION 2 of this bill.

ANALYSIS

C.S.H.B. 2923 amends the Education Code to require a public school district, beginning with the 2023-2024 school year, to contract with certain community-based child-care providers that are eligible to provide free prekindergarten classes in a partnership with the district to provide the prekindergarten classes if the commissioner of education determines that:

- a district election for the purpose of issuing bonds for the construction or repurposing of a classroom facility to provide the prekindergarten class has failed in the 24 months preceding the determination; or
- the district is unable to adequately staff the prekindergarten class.

The bill authorizes the commissioner to waive the requirement if the commissioner determines that an eligible community-based child-care provider is not located in the boundaries of the district. The bill requires the commissioner to interpret the requirement of districts to contract with community-based child-care providers under the bill to the broadest extent possible to encourage partnerships between districts and providers.

C.S.H.B. 2923, effective September 1, 2024, entitles a district to an annual allotment equal to the basic allotment multiplied by 0.2 for each student in average daily attendance (ADA) enrolled in a free prekindergarten class provided through a contract with a community-based child-care provider under the bill's provisions, in addition to the early education allotment. The bill caps the number of students in ADA statewide for whom this allotment may be provided at 10,000 students, beginning with the 2027-2028 school year, and if the number of students in ADA for whom a district is entitled to an early education allotment and the annual allotment under this provision exceeds this cap, the commissioner must allocate the allotments to districts in accordance with commissioner rule. However, the bill, in a temporary provision expiring September 1, 2027, sets out the following caps on the number of students in ADA for the specified school year:

- for the 2024-2025 school year, 2,000 students;
- for the 2025-2026 school year, 4,500 students; and
- for the 2026-2027 school year, 7,000 students.

EFFECTIVE DATE

Except as otherwise provided, on passage, or, if the bill does not receive the necessary vote, September 1, 2023.

COMPARISON OF INTRODUCED AND SUBSTITUTE

While C.S.H.B. 2923 may differ from the introduced in minor or nonsubstantive ways, the following summarizes the substantial differences between the introduced and committee substitute versions of the bill.

The substitute includes the following provisions not in the introduced:

- an authorization for the commissioner to waive the requirement for a district to contract with a community-based child-care provider if the commissioner determines that an eligible provider is not located in the boundaries of the district; and
- a requirement for the commissioner to interpret the requirement for a district to contract with a provider to the broadest extent possible in order to encourage partnerships.

The substitute includes provisions, not present in the introduced, that cap at 10,000 the number of students in ADA statewide for whom the allotment for each student enrolled in a prekindergarten class provided through a contract may be provided for a school year, beginning with the 2027-2028 school year. The substitute includes a requirement, which was not present in the introduced, for the commissioner, if the number of students in ADA for whom a district is entitled to the early education allotment and the bill's allotment exceeds the cap for that school year, to allocate the allotments to districts in accordance with commissioner rule. Furthermore, the substitute provides a graduated schedule for caps in temporary provisions of the substitute that increase by school year until the 10,000-student cap begins, but the introduced did not include this provision.