

BILL ANALYSIS

Senate Research Center
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H.B. 4903
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Health & Human Services
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Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Currently, various aspects of childcare in Texas are overseen by multiple state agencies, including the Texas Workforce Commission (TWC), the Health and Human Services Commission (HHSC), the Department of Family and Protective Services (DFPS), and the Texas Education Agency (TEA). While each agency plays a key role in the childcare space, the lack of effective coordination across agencies can result in conflicting layers of regulation for childcare facilities. Because each agency presents a unique set of standards for necessities such as licensing and funding, childcare providers must navigate regulatory barriers that complicate operations and drive up compliance costs. As many childcare providers already operate on thin margins, this decentralized regulation can result in higher tuition rates for families and less availability of care.

As such, H.B. 4903 establishes the Quad-Agency Childcare Initiative ("Quad-Agency") to promote collaboration among the primary state agencies involved in childcare governance in Texas. The Quad-Agency, comprising TWC, HHSC, DFPS, and TEA, will be tasked with evaluating and resolving duplicative or conflicting regulations among these agencies that might impact the cost, quality, or accessibility of childcare in Texas. The Quad-Agency is not a new state agency and is expected to operate within the existing resources of the agencies involved.

H.B. 4903 amends current law relating to the establishment of the Quad-Agency Child Care Initiative and the Quad-Agency Child Care Initiative Commission.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Subtitle B, Title 3, Human Resources Code, by adding Chapter 74, as follows:

CHAPTER 74. QUAD-AGENCY CHILD CARE INITIATIVE

Sec. 74.001. DEFINITIONS. Defines "commission," "initiative," "participating agency," and "quad-agency chair."

Sec. 74.002. PURPOSE. (a) Provides that the Quad-Agency Child Care Initiative (initiative) is established to foster collaboration, coordinate policies, and review and streamline regulations between the participating agencies that govern child care in the state.

(b) Provides that the Quad-Agency Child Care Initiative Commission (commission) is established to lead the initiative.

Sec. 74.003. MEMBERSHIP. (a) Provides that the commission is composed of the following members: the chair of the Texas Workforce Commission (TWC), the executive

commissioner of the Health and Human Services Commission, the commissioner of the Department of Family and Protective Services, and the commissioner of education.

(b) Requires the chair of TWC to serve as the chair of the commission.

Sec. 74.004. INTERAGENCY STAFFING. (a) Requires the participating agencies to enter into one or more interagency agreements establishing policies and processes for coordinating the assignment of existing staff and other resources as necessary to perform the duties of this chapter.

(b) Provides that the time spent by an employee of a participating agency in supporting the work of the initiative is not included in calculating the number of full-time equivalent employees allotted to the respective agencies under other law.

Sec. 74.005. DUTIES. Requires the commission to:

(1) coordinate participating agency initiatives that impact the cost, quality, or accessibility of child care;

(2) consider and start interagency initiatives to expand access to quality, affordable child care; and

(3) review and streamline existing or proposed regulations, rules, policies, or any other participating agency actions that impact the child-care industry to meet certain standards.

Sec. 74.006. MEETINGS. (a) Requires the commission to meet at least three times each year.

(b) Authorizes the commission to meet in person or using a virtual platform that allows for a recording and live broadcast that is accessible to the public.

(c) Provides that the commission is a governmental body for purposes of Chapter 551 (Open Meetings), Government Code.

Sec. 74.007. REVIEW BY COMMISSION. (a) Authorizes the Quad-Agency chair to initiate an independent review by the commission of any existing or proposed regulation, rule, policy, or other participating agency action that may impact the cost, quality, or accessibility of child care to determine whether the regulation, rule, policy, or other agency action is consistent with the objectives identified in Section 74.005(3) and a less restrictive regulation, rule, policy, or other agency action could more effectively achieve the objectives identified in Section 74.005(3).

(b) Authorizes the Quad-Agency chair, in conducting a review under this section, to request additional information from a participating agency. Requires a participating agency to provide the additional information in writing as soon as practicable after receiving a request under this section.

(c) Requires the commission to:

(1) not later than the 10th business day after the date a review is initiated under this chapter, provide notice of the review, including instructions on how to submit public comments on the review on TWC's Internet website, by e-mail to individuals who have subscribed to receive notifications through TWC's Internet website, and using any other relevant stakeholder communication platforms; and

(2) make the following available to the public on TWC's Internet website for each review conducted under this chapter for not less than two years from the date a determination is made under Section 74.011: all public

comments submitted, all written agency submissions, and the determination of the commission based on the review.

Sec. 74.008. RIGHT TO REQUEST REVIEW. (a) Requires the commission to establish a process by which members of the public, elected officials, or leadership from agencies that are not participating agencies are authorized to request a review of any existing or proposed regulation, rule, policy, or other participating agency action that may impact the cost, quality, or accessibility of child care.

(b) Authorizes the Quad-Agency chair to grant a request to conduct a review requested under this section.

(c) Requires the commission to make all requests for review submitted under this section available to the public on TWC's Internet website for not less than two years from the date the commission receives the request.

Sec. 74.009. EXPEDITED REVIEW. (a) Authorizes a participating agency whose existing or proposed regulation, rule, policy, or other agency action is being reviewed under Section 74.007 to request an expedited review.

(b) Requires the Quad-Agency chair to grant a request for expedited review if the participating agency demonstrates an extraordinary circumstance or the need to meet a statutory or administrative deadline.

(c) Requires the Quad-Agency chair, if a request for an expedited review is granted, to coordinate with the participating agency to accommodate completion of the review within the timeline requested by the agency.

Sec. 74.010. PUBLIC COMMENT. (a) Requires the commission, for each review conducted under this chapter, to accept public comment through TWC's Internet website from the date notice regarding the review is provided under Section 74.007(c)(1) until the end of the 30th day after that date or the end of the 10th day after that date for an expedited review granted under Section 74.009.

(b) Provides that, as part of a review under this chapter, the Quad-Agency chair is required to consider all comments received within the public comment period provided under Subsection (a) and is authorized to consider public comments received outside of the public comment period provided under Subsection (a).

Sec. 74.011. DETERMINATION. (a) Requires the commission, after a public comment period under Section 74.010 has closed, to render the commission's determination as to whether or not the existing or proposed regulation, rule, policy, or other participating agency action reviewed under this chapter is consistent with the objectives identified in Section 74.005(3).

(b) Provides that, if the commission determines that the existing or proposed regulation, rule, policy, or other participating agency action reviewed under this chapter is consistent with the objectives identified in Section 74.005(3), no further action will be taken or is inconsistent with the objectives identified in Section 74.005(3), the participating agency whose existing or proposed regulation, rule, policy, or other agency action was the subject of the review is authorized to take certain actions.

(c) Authorizes the commission to provide suggestions to a participating agency on less restrictive regulations, rules, policies, or other agency actions the agency is authorized to adopt to replace a regulation, rule, policy, or other agency action that the commission considers inconsistent with the objectives identified in Section 74.005(3).

(d) Prohibits this section from being construed to authorize the commission to require a participating agency to adopt a less restrictive regulation, rule, policy, or other agency action suggested by the commission under Subsection (c).

SECTION 2. Requires the commission, not later than March 31, 2026, to hold the first meeting required under Section 74.006, Human Resources Code, as added by this Act.

SECTION 3. Effective date: upon passage or September 1, 2025.