

BILL ANALYSIS

H.B. 4903
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Trade, Workforce & Economic Development
Committee Report (Unamended)

BACKGROUND AND PURPOSE

The bill author has informed the committee that child care in Texas is regulated and influenced by multiple agencies, each with its own rules, responsibilities, and oversight that can sometimes overlap or conflict, which leads to confusion, inefficiency, and increased costs for child-care providers. The bill author has also informed the committee that these challenges ultimately affect families' access to affordable, high-quality child care. H.B. 4903 seeks to address this issue by establishing the Quad-Agency Child Care Initiative to foster collaboration, coordinate policies, and review and streamline regulations between the participating agencies that govern child care in Texas.

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

ANALYSIS

H.B. 4903 amends the Human Resources Code to establish the Quad-Agency Child Care Initiative to foster collaboration, coordinate policies, and review and streamline regulations between the participating agencies that govern child care in Texas. The bill defines "participating agency" as a state agency participating in the initiative, 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. The bill establishes the Quad-Agency Child Care Initiative Commission to lead the initiative and establishes that the commission's membership includes the chair of TWC, the executive commissioner of HHSC, the commissioner of DFPS, and the commissioner of education, with the chair of TWC serving as the chair of the Quad-Agency Child Care Initiative Commission.

H.B. 4903 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 the Quad-Agency Child Care Initiative and establishes 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.

H.B. 4903 requires the Quad-Agency Child Care Initiative Commission to do the following:

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

- consider and start interagency initiatives to expand access to quality, affordable child care; and
- review and streamline existing or proposed regulations, rules, policies, or any other participating agency actions that impact the child-care industry for purposes of the following objectives:
 - resolving regulatory conflicts and duplication among participating agencies;
 - lowering insurance costs for child-care providers;
 - protecting the health and safety of children participating in child care;
 - advancing quality education for child-care providers; and
 - creating consistent, predictable, and reasonable enforcement mechanisms among participating agencies.

The bill requires the commission to meet at least three times each year and 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. The bill establishes that the commission is a governmental body for purposes of state open meetings law. The bill requires the commission to hold the first required meeting not later than March 31, 2026.

H.B. 4903 authorizes the chair of the Quad-Agency Child Care Initiative Commission 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 the following:

- whether the regulation, rule, policy, or other agency action is consistent with the objectives of the commission's review and streamlining of the agencies' existing or proposed actions under the bill; and
- whether a less restrictive regulation, rule, policy, or other agency action could more effectively achieve those objectives.

The bill authorizes the chair, in conducting the review, to request additional information from a participating agency and requires a participating agency to provide the additional information in writing as soon as practicable after receiving such a request. The bill requires the commission to do the following:

- not later than the 10th business day after the date a review is initiated under the bill's provisions, provide notice of the review, including instructions on how to submit public comments on the review, on the TWC website, by email to individuals who have subscribed to receive notifications through the TWC website, and using any other relevant stakeholder communication platforms; and
- make the following available to the public on the TWC website for each review conducted under the bill's provisions for not less than two years from the date a determination as to whether a participating agency action is consistent with the commission's objectives is made:
 - all public comments submitted;
 - all written agency submissions; and
 - the commission's determination based on the review.

H.B. 4903 requires the Quad-Agency Child Care Initiative Commission to establish a process by which members of the public, elected officials, or leadership from agencies that are not participating agencies may 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 and authorizes the chair of the commission to grant a request to conduct such a review. The bill requires the commission to make all submitted requests for review available to the public on the TWC website for not less than two years from the date the commission receives the request. The bill authorizes a participating agency whose existing or proposed regulation, rule, policy, or other agency action is being reviewed as initiated by the chair of the commission to request an expedited review and requires the 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. The bill requires the 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.

H.B. 4903 requires the Quad-Agency Child Care Initiative Commission, for each review conducted under the bill's provisions, to accept public comment through the TWC website from the date notice regarding the review is provided until the end of the 30th day after that date or, for an expedited review, until the end of the 10th day after that date. As part of a review under the bill's provisions, the chair must consider all comments received within the prescribed public comment period and may consider public comments received outside of that period.

H.B. 4903 requires the Quad-Agency Child Care Initiative Commission, after a public comment period 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 the bill's provisions is consistent with the objectives identified in those provisions. The bill establishes that no further action will be taken if the commission determines that the existing or proposed regulation, rule, policy, or other participating agency action is consistent with the objectives, and, if the commission determines such an existing or proposed action reviewed is inconsistent with those objectives, the participating agency whose action was the subject of the review must do the following:

- immediately cease any enforcement activity related to the regulation, rule, policy, or other agency action;
- withdraw the regulation, rule, policy, or other agency action as soon as practicable; and
- if the participating agency considers appropriate, replace it with a less restrictive regulation, rule, policy, or other agency action.

The bill authorizes the commission to provide suggestions to a participating agency on less restrictive regulations, rules, policies, or other agency actions the agency may adopt to replace a regulation, rule, policy, or other agency action that the commission considers inconsistent with the objectives identified under the bill's provisions. The bill prohibits its provisions relating to a commission determination 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.

EFFECTIVE DATE

On passage, or, if the bill does not receive the necessary vote, September 1, 2025.