

By: Walle

H.B. No. 4024

A BILL TO BE ENTITLED

AN ACT

relating to the establishment of the child care scholarship fund

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

SECTION 1. Subtitle B, Title 4, Labor Code, is amended by adding Chapter 321 to read as follows:

CHAPTER 321. CHILD CARE SCHOLARSHIP FUND

Sec. 321.001. DEFINITIONS. In this chapter:

(1) "Advisory board" means the program fund advisory board established under Section 321.006.

(2) "Agency" means the Texas Workforce Commission.

Sec. 321.002. ESTABLISHMENT. The agency shall establish and administer the child care scholarship fund to expand scholarship opportunities through the Child Care Services program administered by the agency and help eligible families in the state access high-quality child care.

Sec. 321.003. FUND. (a) The fund is a special fund in the state treasury outside the general revenue fund.

(b) The fund consists of:

(1) money appropriated by the legislature for deposit to the credit of the program fund for the purposes of this chapter;

(2) interest earned on the investment of money in the fund;

(3) gifts, grants, and donations received by the commission for the purposes of this chapter; and

1 (4) any other sources of revenue that the legislature
2 may dedicate for deposit to the program fund.

3 (c) Money in the fund may be appropriated only to the
4 commission for purposes authorized by this chapter.

5 Sec. 321.004. USE OF FUND. (a) The Texas Workforce
6 Commission must submit to the Texas Workforce Commissioners and the
7 Texas Comptrollers of Public Accounts a request for approval of a
8 proposed disbursement and how that disbursement will be used to
9 increase subsidized child care rates or the number of Child Care
10 Services scholarships provided to eligible families in this state.

11 Sec. 321.005. ANNUAL REPORT. The commission shall publish
12 and submit to the legislature a report detailing the efficacy of the
13 fund not later than December 15 of each even-numbered year. The
14 report must include:

15 (1) the amount appropriated to the Child Care Services
16 program during the preceding state fiscal year;

17 (2) the usage of the fund, including the total amount
18 of child care scholarship payments paid out of the program fund;

19 (3) legislative or other recommendations for
20 improving the impact of the fund; and

21 (4) any other information the commission considers
22 relevant.

23 SECTION 2. Not later than January 1, 2026, the Texas
24 Workforce Commission shall adopt any rules necessary to administer
25 the child care scholarship fund established under Chapter 321,
26 Labor Code, as added by this Act.

27 SECTION 3. This Act takes effect September 1, 2025.