

SB 353 (Zaffirini)/HB 1834 (S. Thompson, Jetton)

Support Employers, Promote Work, and Reduce Child Care Deserts in Low-Income Communities



What Problem Does this Bill Fix?

Current reimbursements for many child care providers are not based on the actual cost of providing child care. Texas child care providers set tuition prices based on what families can afford to pay. In some Texas communities providers cannot charge enough to support quality child care. **Under current law the Texas Workforce Commission (TWC) cannot reimburse child care providers more than their published rate – even if poverty has driven that rate too low to pay for quality child care.** Support for these providers is a real support for low wage workers across Texas and the businesses who rely upon them as a workforce.

For example, normally a child care provider with a rating of TRS 4 qualifies for a reimbursement of \$40/day to care for an infant. However, this child care provider, with a TRS 4 rating, can only charge families in the community \$25/day because the families can't afford anything higher. TWC will only reimburse them \$25/day even though they are providing a high-quality program, with more stringent requirements and standards. **The child care provider in the poor community loses money for providing higher quality care.**

How Does this Impact Your District?

In 2021 the Texas Legislature mandated that child care providers serving children in low-income households participate in TRS. It is likely that these providers will drop out of the TRS program if they can not receive reimbursement rates based on quality of care.

Policy Recommendations

Senate Bill 353 and HB 1834 ensures that child Care in the TWC system will receive a reimbursement based on the quality of their program. Child care quality – not the income of local parents – should determine the state's reimbursement rates. Employers, working parents, small child care businesses, and most importantly children deserve nothing less.

FOR QUESTIONS OR COMMENTS PLEASE CONTACT:

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