

## **BILL ANALYSIS**

C.S.H.B. 740  
By: Burkett  
Human Services  
Committee Report (Substituted)

### **BACKGROUND AND PURPOSE**

Interested parties note that historically the amount of application and licensing fees for certain facilities, homes, and agencies providing child-care services have been specified in statute, but that recently enacted legislation removed the specified fee amounts from statute and vested fee setting authority with the executive commissioner of the Health and Human Services Commission. The parties also contend that license renewal requirements applicable to such facilities, homes, and agencies are burdensome. C.S.H.B. 740 seeks to address these issues by returning the fee-setting authority for these applications and licenses to the state legislature and by removing the expiration of and renewal process for such licenses.

### **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**

C.S.H.B. 740 amends the Human Resources Code to remove statutory provisions relating to the expiration and renewal of a license issued by the Department of Family and Protective Services (DFPS) for certain facilities, homes, and agencies that provide child-care services, including the requirement that the executive commissioner of the Health and Human Services Commission adopt rules governing the license renewal process. The bill clarifies that statutory provisions relating to an application to renew such a license apply instead to an application for a new such license.

C.S.H.B. 740 repeals a provision requiring the executive commissioner by rule to set fees for the licensing of certain facilities, agencies, and homes that provide child-care services and instead sets the nonrefundable application fee DFPS is required to charge an applicant for an initial license to operate a child-care facility or a child-placing agency at \$35. The bill sets the initial license fee DFPS is required to charge each child-care facility at \$35 and the initial license fee DFPS is required to charge each child-placing agency at \$50. The bill sets the annual license fee DFPS is required to charge each licensed child-care facility at \$35 plus \$1 for each child the child-care facility is permitted to serve and the annual license fee DFPS is required to charge each licensed child-placing agency at \$100. The bill specifies that the annual fee DFPS is required to charge each family home listed or registered with DFPS is to cover a part of the DFPS cost in regulating family homes and sets that fee amount at \$20 for a listed home and at \$35 for a registered home.

C.S.H.B. 740 repeals Section 42.054(h), Human Resources Code.

**EFFECTIVE DATE**

September 1, 2017.

**COMPARISON OF ORIGINAL AND SUBSTITUTE**

While C.S.H.B. 740 may differ from the original in minor or nonsubstantive ways, the following comparison is organized and formatted in a manner that indicates the substantial differences between the introduced and committee substitute versions of the bill.

INTRODUCED

No equivalent provision.

No equivalent provision.

HOUSE COMMITTEE SUBSTITUTE

SECTION 1. Section 42.048(f), Human Resources Code, is amended to read as follows:

(f) A license must be issued if the department determines that a facility meets all requirements. The evaluation shall be based on one or more visits to the facility and a review of required forms and records. A license is valid until [~~the license expires,~~ ~~is~~] revoked[;] or [~~is~~] surrendered.

SECTION 2. Section 42.050, Human Resources Code, is amended to read as follows:

Sec. 42.050. LICENSE RENEWAL. (a) A license holder may apply for [~~renewal of~~] a new license in compliance with the requirements of this chapter and department rules.

(b) The application for [~~renewal of~~] a new license must be completed and decided on by the department before the expiration of the license under which a facility is operating.

(c) The department shall evaluate the application for [~~renewal of~~] a new license to determine if all licensing requirements are met. The evaluation may include a specified number of visits to the facility and must include a review of all required forms and records.

~~[(d) The executive commissioner shall adopt rules governing the license renewal process for all licenses issued under this chapter. The rules must include:~~

~~[(1) renewal periods;~~

~~[(2) a process for staggered renewals;~~

~~[(3) a process for resolving a late application for renewal;~~

~~[(4) expiration dates; and~~

~~[(5) conditions for renewal.]~~

SECTION 1. Sections 42.054(a), (b), (c), (d), and (e), Human Resources Code, are amended.

SECTION 2. Section 42.054(h), Human Resources Code, is repealed.

SECTION 3. The changes in law made by this Act apply only to an application fee paid or license fee due on or after the effective date of this Act. An application fee paid or license fee due before that date is governed by the law in effect on the date the fee was paid or due, as applicable, and that law is continued in effect for that purpose.

SECTION 4. This Act takes effect September 1, 2017.

SECTION 3. Same as introduced version.

SECTION 4. Same as introduced version.

SECTION 5. Same as introduced version.

SECTION 6. Same as introduced version.