

- SUBJECT:** Issuing licenses and fees for child care facilities
- COMMITTEE:** Human Services — committee substitute recommended
- VOTE:** 7 ayes — Raymond, Frank, Miller, Minjarez, Rose, Swanson, Wu
0 nays
2 absent — Keough, Klick
- WITNESSES:** For — (*Registered, but did not testify:* Margaret Johnson, League of Women Voters of Texas; Lonnie Hutson, NCCC; Seth Winick, Texas Licensed Child Care Association; and 13 individuals)
Against — None
- BACKGROUND:** Human Resources, sec. 42.054 requires the Health and Human Services Commission (HHSC) executive commissioner by rule to adopt licensing fees for child care facilities. The Department of Family and Protective Services is required to administer the licensing fees HHSC adopts. Under sec. 42.050 the licensure renewal process for child care facilities is managed by HHSC rule. A child care facility's license is valid until it expires, is revoked, or is surrendered.
- DIGEST:** CSHB 740 would require the Department of Family and Protective Services to set fees as follows:
- \$35 for a nonrefundable application fee for an initial license to operate a child care facility or a child-placing agency;
 - \$35 for each child care facility for an initial license;
 - \$50 for each child-placing agency for an initial license;
 - \$35 for an annual license plus \$1 for each child that the child care facility is permitted to serve;
 - \$100 for an annual license fee for each licensed child-placing agency; and

- \$20 for a listed family home or \$35 for a registered family home.

The bill would remove provisions governing the license expiration and the license renewal process for child care facilities and would repeal the provision requiring the Health and Human Services Commission executive commissioner by rule to set licensing fees.

The bill would take effect September 1, 2017, and would apply to an application fee paid or license fee due on or after that date.

**SUPPORTERS
SAY:**

CSHB 740 would provide accountability in setting licensing fees by ensuring proposed increases were thoroughly vetted through the legislative process instead of by commissioner rule. By removing the provisions on the licensure renewal process, the bill also would alleviate an administrative burden on child care facilities.

**OPPONENTS
SAY:**

CSHB 740 also should eliminate the certification and registration renewal process for child care facilities, which are similar to the license renewal process that the bill would remove. This would help eliminate regulatory inconsistencies within the Department of Family and Protective Services.

NOTES:

CSHB 740 differs from the bill as filed in that the committee substitute would remove the license expiration and license renewal process for child care facilities.