

## **BILL ANALYSIS**

Senate Research Center

S.B. 706  
By: Watson  
Health & Human Services  
6/6/2019  
Enrolled

### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

Illegal child care operations are not inspected by the state, operators do not go through background checks, and they are considered less safe than regulated operations. These operations are typically based in the operator's home and are opened without knowledge of state requirements or because of the cost of regulation. In the past decade, 42 child deaths have occurred in illegal child care operations.

In 2013, the state received \$5.7 million from the legislature to hire 30 inspectors to search for illegal child care operations in order to shut them down or bring them under regulation. In 2017, the Health and Human Services Commission (HHSC) shut down the unit and reallocated the positions for other purposes in Child Care Licensing (CCL). HHSC has stated in their current LAR that they will be re-instating the unit that targets illegal child care operations within CCL. They have requested 35 FTEs and \$3.65 million over the 2020–2021 biennium.

S.B. 706 will ensure that HHSC maintains a unit within the CCL division of inspectors whose primary responsibility is to seek out illegal child care operations and to initiate enforcement actions against these facilities. This could include shutting them down or bringing them under regulation. This bill directs the executive commissioner of HHSC to assign at least 35 FTEs for this unit. (Original Author's/Sponsor's Statement of Intent)

S.B. 706 amends current law relating to an investigation unit within the Health and Human Services Commission for certain illegally operating child-care facilities.

### **RULEMAKING AUTHORITY**

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

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Subchapter A, Chapter 531, Government Code, by adding Section 531.0084, as follows:

Sec. 531.0084. INVESTIGATION UNIT FOR ILLEGALLY OPERATING CHILD-CARE FACILITIES. Requires the executive commissioner of the Health and Human Services Commission (executive commissioner; HHSC) to maintain a unit within the child-care licensing division of HHSC consisting of investigators whose primary responsibility is to:

- (1) identify child-care facilities that are operating without a license, certification, registration, or listing required by Chapter 42 (Regulation of Certain Facilities, Homes, and Agencies That Provide Child-Care Services), Human Resources Code; and
- (2) initiate appropriate enforcement actions against those facilities.

SECTION 2. Requires the executive commissioner, as soon as possible after the effective date of this Act, to establish the investigation unit required by Section 531.0084, Government Code, as added by this Act.

SECTION 3. Effective date: September 1, 2019.