### 1 CHAPTER 809. CHILD CARE SERVICES 2 3 PROPOSED RULES WITH PREAMBLE TO BE SUBMITTED TO THE TEXAS 4 REGISTER. THIS DOCUMENT WILL HAVE NO SUBSTANTIVE CHANGES BUT IS 5 SUBJECT TO FORMATTING CHANGES AS REQUIRED BY THE TEXAS REGISTER. 6 7 The Texas Workforce Commission (TWC) proposes amendments to the following sections of 8 Chapter 809, relating to Child Care Services: 9 10 Subchapter B. General Management, §809.15 and §809.20 11 Subchapter D. Parent Rights and Responsibilities, §809.71 Subchapter E. Requirements to Provide Child Care, §§809.91, 809.93, and 809.94 12 13 Subchapter G. Texas Rising Star Program, §809.132 14 15 PART I. PURPOSE, BACKGROUND, AND AUTHORITY PART II. **EXPLANATION OF INDIVIDUAL PROVISIONS** 16 17 PART III. **IMPACT STATEMENTS** 18 PART IV. COORDINATION ACTIVITIES 19 20 PART I. PURPOSE, BACKGROUND, AND AUTHORITY 21 Senate Bill (SB) 781, 86th Texas Legislature, Regular Session (2019), amended §42.071 of the 22 Human Resources Code to discontinue evaluation as a corrective action for the Texas Health and 23 Human Services Commission's (HHSC) Child Care Licensing (CCL) staff to impose on a 24 licensed child care facility or family home. Effective September 1, 2019, CCL will either 25 recommend a voluntary plan of action or place a facility on probation as corrective action when 26 needed. 27 28 The amendments to TWC Chapter 809 Child Care Services rules remove references to 29 evaluation as a corrective action to align with Chapter 42 of the Human Resources Code as 30 amended by SB 781. 31 32 Additionally, House Bill (HB) 5, 85th Texas Legislature, Regular Session (2017), reorganized 33 several functions within the HHSC umbrella. Included in this reorganization was the transfer of 34 CCL from the Texas Department of Family and Protective Services (DFPS) to HHSC. These rule 35 amendments change references throughout Chapter 809 to reflect the transfer of CCL from 36 DFPS to HHSC. 37 38 Finally, §658E(c)(4) of the Child Care and Development Block Grant Act (2014) and 45 Code of 39 Federal Regulations (CFR) §98.45 require state Child Care and Development Fund (CCDF) lead 40 agencies to conduct a market rate survey (MRS) of child care rates and to use market rate data to 41 set direct care reimbursement rates. States must ensure equal access to child care services for 42 children participating in child care subsidies by setting direct care reimbursement rates that are 43 sufficient to provide comparable services to those received by families that do not receive 44 assistance.

As the CCDF lead agency for Texas, TWC conducts an annual MRS to analyze and summarize child care market rate data for the state and for the 28 Local Workforce Development Boards (Boards). Section 809.20, Maximum Provider Reimbursement Rates, authorizes Boards to set reimbursement rates for their local workforce development areas (workforce areas) based on local factors, including the MRS, and to ensure that the rates provide equal access to child care.

 The US Department of Health and Human Services Office of Inspector General (OIG) recently released a report--States' Payment Rates Under the Child Care and Development Fund Program Could Limit Access to Child Care Providers--in which OIG found that many states were not setting their child care reimbursement rates at a level sufficient to ensure that eligible children have equal access to child care services that are comparable to services available to children whose parents are not eligible to receive child care assistance. OIG recommended that Office of Child Care (OCC) evaluate whether states are ensuring equal access for families in the CCDF program, as required by statute.

OCC concurred with OIG's recommendation and prioritized review of equal access requirements in its review of CCDF State Plans. Based on the review, OCC placed 33 states on Corrective Action Plans (CAPs) for not achieving equal access requirements, with 21 of those based specifically on inadequate rates.

OCC notified states at the 2019 State and Territories Administrators Meeting that CAPs were implemented for states whose rates were at or below the 25th percentile of the market rate, as determined by a statistically valid MRS. OCC also notified states that it would be reevaluating the 25th percentile "floor" on an ongoing basis, and states can expect OCC to raise the floor over time to improve equal access to child care services.

Based on OCC's actions to place states on CAPs for equal access if they fail to meet a minimum floor for their rates, on September 24, 2019, TWC's three-member Commission (Commission) took action to ensure that Boards' maximum reimbursement rates are set at a level adequate to ensure equal access as set forth in the CCDF regulations at 45 CFR §98.45 Equal Access. Specifically, the Commission directed staff to develop guidance--subsequently issued through Workforce Development Letter 23-19, issued on October 15, 2019, and titled "Child Care Provider Maximum Reimbursement Rate Increases"--requiring Boards to set their maximum reimbursement rate at or above the 30th percentile of the 2019 MRS, in compliance with §809.20(a), which requires that rates provide equal access to child care.

Section 809.20 authorizes Boards to establish maximum provider reimbursement rates and to ensure that the rates provide equal access to child care. To further support the federal requirement of equal access, §809.20 is amended to require Boards to establish maximum reimbursement rates at or above a level established by the Commission.

## PART II. EXPLANATION OF INDIVIDUAL PROVISIONS

- 43 (Note: Minor editorial changes are made that do not change the meaning of the rules and,
- 44 therefore, are not discussed in the Explanation of Individual Provisions.)

## 1 SUBCHAPTER B. GENERAL MANAGEMENT 2 TWC proposes the following amendments to Subchapter B: 3 4 §809.15. Promoting Consumer Education 5 Section 809.15 is amended to change "DFPS" to "CCL" to reflect the transfer of CCL from 6 DFPS to HHSC. 7 8 §809.20. Maximum Provider Reimbursement Rates 9 Section 809.20(a) is amended to require Boards to establish maximum reimbursement rates for 10 child care subsidies at or above a level established by the Commission. The purpose of the rule 11 amendment is to ensure that Boards' maximum reimbursement rates are set at a level adequate to 12 enable equal access to subsidized child care services as set forth in the CCDF regulations at 45 13 CFR §98.45 Equal Access. 14 Section 809.20 is also amended to change "DFPS" to "CCL" to reflect the transfer of CCL from 15 16 DFPS to HHSC. 17 SUBCHAPTER D. PARENT RIGHTS AND RESPONSIBILITIES TWC proposes the following amendments to Subchapter D: 18 19 20 §809.71. Parent Rights 21 Section 809.71 is amended to change "DFPS" to "CCL" to reflect the transfer of CCL from 22 DFPS to HHSC. 23 24 SUBCHAPTER E. REQUIREMENTS TO PROVIDE CHILD CARE 25 TWC proposes the following amendments to Subchapter E: 26 27 §809.91. Minimum Requirements for Providers Section 809.91 is amended to change "DFPS" to "CCL" to reflect the transfer of CCL from 28 29 DFPS to HHSC. 30 31 §809.93. Provider Reimbursement Section 809.93 is amended to change "DFPS" to "CCL" to reflect the transfer of CCL from 32

33 DFPS to HHSC.

34

## 35 §809.94. Providers Placed on Corrective or Adverse Action by the Texas Department of

#### 36 **Family and Protective Services**

- 37 Section 809.94 is amended to remove references to evaluation as a corrective action to align with
- Chapter 42 of the Human Resources Code as amended by SB 781. Specifically, §809.94(a), 38
- 39 regarding providers placed on evaluation by CCL, is removed and subsequent subsections are
- 40 relettered accordingly.

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- 42 Section 809.94 is also amended to change "DFPS" to "CCL" to reflect the transfer of CCL from
- 43 DFPS to HHSC.

#### 44 SUBCHAPTER G. TEXAS RISING STAR PROGRAM

TWC proposes the following amendments to Subchapter G: 45

1 2 §809.132. Impact of Certain Deficiencies on TRS Certification 3 Section 809.132 is amended to change "DFPS" to "CCL" to reflect the transfer of CCL from 4 DFPS to HHSC. 5 6 PART III. IMPACT STATEMENTS 7 Chris Nelson, Chief Financial Officer, has determined that for each year of the first five years 8 that the rules will be in effect, the following statements will apply: 9 10 There are no additional estimated costs to the state and to local governments expected as a result 11 of enforcing or administering the rules. 12 13 There are no estimated cost reductions to the state and to local governments as a result of 14 enforcing or administering the rules. 15 16 There are no estimated losses or increases in revenue to the state or to local governments as a 17 result of enforcing or administering the rules. 18 19 There are no foreseeable implications relating to costs or revenue of the state or local 20 governments as a result of enforcing or administering the rules. 21 22 There are no anticipated economic costs to individuals required to comply with the rules. 23 24 There is no anticipated adverse economic impact on small businesses, microbusinesses, or rural 25 communities as a result of enforcing or administering the rules. 26 27 Based on the analyses required by Texas Government Code §2001.024, TWC has determined 28 that the requirement to repeal or amend a rule, as required by House Bill 1290, 85th Texas 29 Legislature, Regular Session (2017)--to be codified at Texas Government Code §2001.0045--30 does not apply to this rulemaking. 31 32 **Takings Impact Assessment** 33 34 35

Under Texas Government Code, §2007.002(5), "taking" means a governmental action that affects private real property, in whole or in part or temporarily or permanently, in a manner that requires the governmental entity to compensate the private real property owner as provided by 36 the Fifth and Fourteenth Amendments to the United States Constitution or the Texas 37 Constitution, §17 or §19, Article I, or restricts or limits the owner's right to the property that 38 would otherwise exist in the absence of the governmental action, and is the producing cause of a 39 reduction of at least 25 percent in the market value of the affected private real property, 40 determined by comparing the market value of the property as if the governmental action is not in 41 effect and the market value of the property determined as if the governmental action is in 42 effect. The Commission completed a Takings Impact Analysis for the proposed rulemaking 43 action under Texas Government Code, §2007.043. The primary purpose of this proposed 44 rulemaking action, as discussed elsewhere in this preamble, is to: 45

- --ensure that Boards' maximum reimbursement rates are set at a level adequate to enable
   equal access to subsidized child care services as set forth in the CCDF regulations at 45 CFR
- 3 §98.45 Equal Access;
- 4 --remove references to evaluation as a corrective action to align with Chapter 42 of the
- 5 Human Resources Code as amended by SB 781; and
- --change references throughout Chapter 809 to reflect the transfer of CCL from DFPS to
   HHSC.

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- The proposed rulemaking action will not create any additional burden on private real property.
- 10 The proposed rulemaking action will not affect private real property in a manner that would
- require compensation to private real property owners under the United States Constitution or the
- 12 Texas Constitution. The proposal also will not affect private real property in a manner that
- 13 restricts or limits an owner's right to the property that would otherwise exist in the absence of the
- 14 governmental action. Therefore, the proposed rulemaking will not cause a taking under Texas
- 15 Government Code, Chapter 2007.

16 17

# Government Growth Impact Statement

- TWC has determined that during the first five years that the proposed amendments will be in effect:
- 20 -- the proposed amendments will not create or eliminate a government program;
- --implementation of the proposed amendments will not require the creation or elimination of employee positions;
- --implementation of the proposed amendments will not require an increase or decrease in future
   legislative appropriations to TWC;
- 25 -- the proposed amendments will not require an increase or decrease in fees paid to TWC;
- 26 -- the proposed amendments will not create a new regulation;
- 27 -- the proposed amendments will not expand, limit, or eliminate an existing regulation;
- 28 -- the proposed amendments will not change the number of individuals subject to the rules; and
- 29 -- the proposed amendments will not positively or adversely affect the state's economy.

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# Economic Impact Statement and Regulatory Flexibility Analysis

- 32 TWC has determined that the proposed rule will not have an adverse economic impact on small
- businesses or rural communities, as these proposed rules place no requirements on small
- 34 businesses or rural communities.

35 36

Mariana Vega, Director of Labor Market and Career Information, has determined that there is no significant negative impact upon employment conditions in the state as a result of the rules.

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- Reagan Miller, Director, Division of Child Care & Early Learning, has determined that for each
- 40 year of the first five years the rules are in effect, the public benefit anticipated as a result of
- 41 enforcing the proposed rules will be to ensure that Boards' maximum child care reimbursement
- rates are set at a level adequate to enable equal access to subsidized child care services as set
- forth in the CCDF regulations at 45 CFR §98.45 Equal Access.

- 45 TWC hereby certifies that the proposal has been reviewed by legal counsel and found to be
- within TWC's legal authority to adopt.

| 1  |  |
|----|--|
| 2  | PART IV. COORDINATION ACTIVITIES   |
| 3  | In the development of these rules for publication and public comment, TWC sought the         |
| 4  | involvement of Texas' 28 Boards. TWC provided the concept paper regarding these rule         |
| 5  | amendments to the Boards for consideration and review on October 30, 2019. During the        |
| 6  | rulemaking process, TWC considered all information gathered in order to develop rules that   |
| 7  | provide clear and concise direction to all parties involved.                                 |
| 8  |  |
| 9  | Comments on the proposed rules may be submitted to TWC Policy Comments, Workforce            |
| 10 | Program Policy, Attn.: Workforce Editing, 101 East 15th Street, Room 459T, Austin, Texas     |
| 11 | 78778; faxed to (512) 475-3577; or emailed to <u>TWCPolicyComments@twc.state.tx.us</u> .     |
| 12 | Comments must be received or postmarked no later than 30 days from the date this proposal is |
| 13 | published in the <i>Texas Register</i> .   |
| 14 |  |
| 15 | The rules are proposed under Texas Labor Code §301.0015 and §302.002(d), which provide       |
| 16 | TWC with the authority to adopt, amend, or repeal such rules as it deems necessary for the   |
| 17 | effective administration of TWC services and activities.                                     |
| 18 |  |

The proposed rules affect Texas Labor Code, Title 4, particularly Chapters 301 and 302, as well

PR-Ch.809 CC ES and RR (2.4.20) Notebook

as Texas Government Code, Chapter 2308.

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| 1 2   | CHAPTER 809. CHILD CARE SERVICES |                   |  |  |
|---|----------------------------------|-------------------|--|--|
| 2 3 -   | ——Ѕивснарте                      | cr B. (           | GENERAL MANAGEMENT   |  |
| <ul><li>\$809.15. Promoting Consumer Education.</li></ul> |                                  |                   |  |  |
| 6<br>7<br>8   |                                  | oard si<br>rmatio | hall promote informed child care choices by providing consumer education on to:  |  |
| 9<br>10   | (1)                              | pare              | nts who are eligible for child care services;  |  |
| .1  | (2)                              | pare              | nts who are placed on a Board's waiting list;  |  |
| .4  | (3)                              | pare              | nts who are no longer eligible for child care services; and  |  |
| .5<br>.6  | (4)                              | appl              | icants who are not eligible for child care services.   |  |
| .7<br>.8<br>.9  |                                  |                   | mer education information, including consumer education information hrough a Board's website, shall contain, at a minimum:   |  |
| 20<br>21<br>22  | (1)                              |                   | rmation about the Texas Information and Referral Network/2-1-1 Texas -1 Texas) information and referral system;              |  |
| 23<br>24<br>25  | (2)                              |                   | website and telephone number of <u>CCL-DFPS</u> , so parents may obtain health safety requirements including information on: |  |
| 26<br>27<br>28  |                                  | (A)               | the prevention and control of infectious diseases (including immunizations);   |  |
| 29<br>80  |                                  | (B)               | building and physical premises safety;   |  |
| 81<br>82<br>83<br>84                                      |                                  | (C)               | minimum health and safety training appropriate to the provider setting; and  |  |
| 35<br>36  |                                  | (D)               | the regulatory compliance history of child care providers;   |  |
| 87<br>88<br>89  | (3)                              |                   | scription of the full range of eligible child care providers set forth in 9.91; and  |  |
| 10<br>11  | (4)                              |                   | scription of programs available in the workforce area relating to school iness and quality rating systems, including:        |  |
| 12<br>13<br>14<br>15                                      |                                  | (A)               | Texas Rising Star (TRS) Provider criteria, pursuant to Texas Government Code §2308.315; and                                  |  |

| 2           |        | ( <b>D</b> ) | \$29.160;  |
|-------------|--------|--------------|--|
| 3<br>4<br>5 | (5)    |              | t of child care providers that meet quality indicators, pursuant to Texas ernment Code §2308.3171;                 |
| 6           |        | GOV          | Similar Code \$2500.5171,  |
| 7           | (6)    | info         | rmation on existing resources and services available in the workforce area   |
| 8           | (0)    |              | conducting developmental screenings and providing referrals to services  |
| 9           |        |              | n appropriate for children eligible for child care services, including the use                                     |
| 10          |        | of:          | a appropriate for emission engine for emissions services, mercaning the use  |
| 11          |        |              |  |
| 12          |        | (A)          | the Early and Periodic Screening, Diagnosis, and Treatment program   |
| 13          |        | ()           | under 42 <u>USCU-S.C.</u> 1396 et seq.; and  |
| 14          |        |              |  |
| 15          |        | (B)          | developmental screening services available under Part B and Part C of  |
| 16          |        | ` /          | the Individuals with Disabilities Education Act (20 <u>USCU.S.C.</u> 1419,   |
| 17          |        |              | 1431 et seq.; and  |
| 18          |        |              | •  |
| 19          | (7)    | a lin        | k to the Agency's designated child care consumer education website.  |
| 20          | ) A.D. | 1 . 1        | 1-11 Coming Coming Coming  |
|             |        |              | hall cooperate with the Texas Health and Human Services Commission   |
| 22          | *      |              | provide 2-1-1 Texas with information, as determined by HHSC, for n the statewide information and referral network. |
| 23<br>24    | ШСП    | 181011 1     | if the statewide information and referral network.   |
|             | 20. M  | aximu        | um Provider Reimbursement Rates.   |
| 26          |        |              |  |
|             |        |              | local factors, including a market rate survey provided by the Commission,  |
| 8           |        |              | all establish maximum reimbursement rates for child care subsidies at or   |
| )           |        |              | vel established by the Commission to ensure that the rates provide equal   |
| )           |        |              | child care in the local market and in a manner consistent with state and   |
|             |        |              | tutes and regulations governing child care. At a minimum, Boards shall   |
| 2           |        |              | eimbursement rates for full-day and part-day units of service, as described  |
| 3           | in §8  | 309.93       | of), for the following:  |
| 4           |        |              |  |
| 5           | (1)    | Prov         | vider types:   |
| 6           |        |              |  |
| 7           |        | (A)          | Licensed child care centers, including before- or after-school programs  |
| 8           |        |              | and school-age programs, as defined by <u>CCL</u> <del>DFPS</del> ;  |
| 9           |        |              |  |
| 0           |        | (B)          | Licensed child care homes as defined by <u>CCL</u> <del>DFPS</del> ;   |
| 1           |        |              |  |
| 2           |        | (C)          | Registered child care homes as defined by <u>CCL</u> <del>DFPS</del> ; and   |
| 3           |        |              |  |
| 1           |        | (D)          | Relative child care providers as defined in §809.2.  |
| 5           |        |              |  |
| -6          | (2)    | Age          | groups in each provider type:  |

- (A) Infants age 0 to 17 months;
- (B) Toddlers age 18 to 35 months;
- (C) Preschool age children from 36 to 71 months; and
- (D) School--age children 72 months and over.
- (b) A Board shall establish enhanced reimbursement rates:
  - (1) for all age groups at TRS provider facilities; and
  - (2) only for preschool-age children at child care providers that participate in integrated school readiness models pursuant to Texas Education Code §29.160.
- (c) The minimum enhanced reimbursement rates established under subsection (b) of this section shall be greater than the maximum rate established for providers not meeting the requirements of subsection (b) of this section for the same category of care up to, but not to exceed, the provider's published rate. The maximum rate must be at least:
  - (1) 5 percent greater for a:
    - (A) 2-Star Program Provider; or
    - (B) child care provider meeting the requirements of subsection (b)(2) of this section;
  - (2) 7 percent greater for a 3-Star Program Provider; and
  - (3) 9 percent greater for a 4-Star Program Provider.
- (d) Boards may establish a higher enhanced reimbursement rate than those specified in subsection (c) of this section for TRS providers, as long as there is a minimum 2 percentage point difference between each star level.
- (e) A Board or its child care contractor shall ensure that providers that are reimbursed for additional staff or equipment needed to assist in the care of a child with disabilities are paid a rate up to 190 percent of the provider's reimbursement rate for a child of that same age. The higher rate shall take into consideration the estimated cost of the additional staff or equipment needed by a child with disabilities. The Board shall ensure that a professional, who is familiar with assessing the needs of children with disabilities, certifies the need for the higher reimbursement rate described in this subsection.

| 1<br>2<br>3<br>4     | long rate,  | Board shall determine whether to reimburse providers that offer transportation as as the combined total of the provider's published rate, plus the transportation is subject to the maximum reimbursement rate established in subsection (a) of section. |  |  |  |
|----------------------|---|--|--|--|--|
| 5<br>6<br>7<br>8     | ——SUBCHAPTE   | ER D. PARENT RIGHTS AND RESPONSIBILITIES   |  |  |  |
| 9<br>10              | §809.71. Pa   | rent Rights.   |  |  |  |
| 11<br>12<br>13       | A Board shall ensure that the Board's child care contractor informs the parent in writing that the parent has the right to: |  |  |  |  |
| 14<br>15<br>16       | (1)   | choose the type of child care provider that best suits their needs and to be informed of all child care options available to them as included in the consumer education information described in §809.15;  |  |  |  |
| 17<br>18<br>19<br>20 | (2)   | visit available child care providers before making their choice of a child care option;  |  |  |  |
| 21<br>22<br>23<br>24 | (3)   | receive assistance in choosing initial or additional child care referrals including information about the Board's policies regarding transferring children from one provider to another;   |  |  |  |
| 25<br>26<br>27<br>28 | (4)   | be informed of the Commission rules and Board policies related to providers charging parents the difference between the Board's reimbursement and the provider's published rate as described in §809.92(c) - (d);  |  |  |  |
| 29<br>30             | (5)   | be represented when applying for child care services;  |  |  |  |
| 31<br>32<br>33<br>34 | (6)   | be notified of their eligibility to receive child care services within 20 calendar days from the day the Board's child care contractor receives all necessary documentation required to initially determine eligibility for child care;                  |  |  |  |
| 35<br>36<br>37       | (7)   | receive child care services regardless of race, color, national origin, age, sex, disability, political beliefs, or religion;  |  |  |  |
| 38<br>39<br>40       | (8)   | have the Board and the Board's child care contractor treat information used to determine eligibility for child care services as confidential;  |  |  |  |
| 41<br>42<br>43       | (9)   | receive written notification at least 15 calendar days before termination of child care services;  |  |  |  |
| 44<br>45<br>46       | (10)  | reject an offer of child care services or voluntarily withdraw their child from child care, unless the child is in protective services;  |  |  |  |

| 1 2  |                 | (11)  | be informed of the possible consequences of rejecting or ending the child care that is offered;  |
|--|-----------------|-------|--|
| 3<br>4<br>5                                |                 | (12)  | be informed of the eligibility documentation and reporting requirements described in §809.72 and §809.73;  |
| 6<br>7<br>8                                |                 | (13)  | be informed of the parent appeal rights described in §809.74;  |
| 9<br>10<br>11<br>12                        |                 | (14)  | be informed of required background and criminal history checks for relative child care providers through the listing process with <u>CCLDFPS</u> , as described in §809.91(e), before the parent or guardian selects the relative child care provider; |
| 13<br>14<br>15<br>16                       |                 | (15)  | receive written notification pursuant to §809.78(d) of the possible termination of child care services for excessive absences, as described in §809.78(a)(1); and  |
| 17<br>18<br>19                             |                 | (16)  | receive written notification of possible termination of child care services for failure to pay the parent share of cost, pursuant to §809.19(d).   |
| 20<br>21                                   | ——Ѕивсна        | PTER  | E. REQUIREMENTS TO PROVIDE CHILD CARE  |
| 22<br>23                                   | <b>§809.9</b> 1 | l. Mi | nimum Requirements for Providers.  |
| <ul><li>24</li><li>25</li><li>26</li></ul> | (a)             | A Bo  | pard shall ensure that child care subsidies are paid only to:  |
| 27<br>28                                   |                 | (1)   | regulated child care providers as described in §809.2;   |
| 29<br>30<br>31                             |                 | (2)   | relative child care providers as described in §809.2, subject to the requirements in subsection (e) of this section; or  |
| 32<br>33<br>34                             |                 | (3)   | at the Board's option, child care providers licensed in a neighboring state, subject to the following requirements:  |
| 35<br>36<br>37<br>38<br>39                 |                 |       | (A) Boards shall ensure that the Board's child care contractor reviews the licensing status of the out-of-state provider every month, at a minimum, to confirm the provider is meeting the minimum licensing standards of the state;                   |
| 40<br>41                                   |                 |       | (B) Boards shall ensure that the out-of-state provider meets the requirements of the neighboring state to serve CCDF-subsidized children; and  |
| 42<br>43<br>44                             |                 |       | (C) The provider shall agree to comply with the requirements of this chapter and all Board policies and Board child care contractor procedures.  |

| 1<br>2<br>3<br>4<br>5 |                  | (1) Except for foster parents authorized by DFPS pursuant to §809.49, licensed child care centers, including before- or after-school programs and school-age programs, in which the parent or his or her spouse, including the child's parent or stepparent, is the director or assistant director, or has an ownership interest; or |  |  |
|-----------------------|------------------|--|--|--|
| 6<br>7<br>8           |                  | (2) Licensed, registered, or listed child care homes where the parent also works during the hours his or her child is in care.   |  |  |
| 9<br>10               | §809 <b>.</b> 93 | 3. Provider Reimbursement.   |  |  |
| 11<br>12<br>13        | (a)              | A Board shall ensure that reimbursement for child care is paid only to the provider.   |  |  |
| 14<br>15<br>16        | (b)              | A Board or its child care contractor shall reimburse a regulated provider based on a child's monthly enrollment authorization, excluding periods of suspension at the concurrence of the parent as described in §809.51(d).  |  |  |
| 17<br>18<br>19<br>20  | (c)              | A Board shall ensure that a relative child care provider is not reimbursed for days on which the child is absent.  |  |  |
| 21<br>22<br>23<br>24  | (d)              | A relative child care provider shall not be reimbursed for more children than permitted by the <u>CCLDFPS</u> minimum regulatory standards for Registered Child Care Homes. A Board may permit more children to be cared for by a relative child care provider on a case-by-case basis as determined by the Board.                   |  |  |
| 25<br>26<br>27<br>28  | (e)              | A Board shall not reimburse providers that are debarred from other state or federal programs unless and until the debarment is removed.  |  |  |
| 29<br>30<br>31<br>32  | (f)              | Unless otherwise determined by the Board and approved by the Commission for automated reporting purposes, the monthly enrollment authorization described in subsection (b) of this section is based on the unit of service authorized, as follows:   |  |  |
| 33<br>34<br>35        |                  | (1) A full-day unit of service is 6 to 12 hours of care provided within a 24-hour period; and  |  |  |
| 36<br>37<br>38        |                  | (2) A part-day unit of service is fewer than 6 hours of care provided within a 24-hour period.   |  |  |
| 39<br>40<br>41        | (g)              | A Board or its child care contractor shall ensure that providers are not paid for holding spaces open.   |  |  |
| 42<br>43              | (h)              | A Board or the Board's child care contractor shall not pay providers:  |  |  |
| 44<br>45              |                  | (1) less, when a child enrolled full time occasionally attends for a part day; or  |  |  |
| 46                    |                  | (2) more, when a child enrolled part time occasionally attends for a full day.   |  |  |

- (i) The Board or its child care contractor shall not reimburse a provider retroactively for new Board maximum reimbursement rates or new provider published rates.
- (j) A Board or its child care contractor shall ensure that the parent's travel time to and from the child care facility and the parent's work, school, or job training site is included in determining whether to authorize reimbursement for full-day or part-day care under subsection (f) of this section.

# §809.94. Providers Placed on Corrective or Adverse Action by the Texas Department of Family and Protective Services.

- (a) For a provider placed on evaluation corrective action (evaluation status) by DFPS, Boards shall ensure that:
  - (1) parents with children enrolled in Commission-funded child care are notified in writing of the provider's evaluation status no later than five business days after receiving notification from the Agency of DFPS' decision to place the provider on evaluation status; and
  - (2) parents choosing to enroll children in Commission funded child care with the provider are notified in writing of the provider's evaluation status prior to enrolling the children with the provider.
- (a)(b) For a provider placed on probation corrective action (probationary status) by CCLDFPS, Boards shall ensure that:
  - (1) parents with children in Commission-funded child care are notified in writing of the provider's probationary status no later than five business days after receiving notification from the Agency of <a href="CCL'sDFPS">CCL'sDFPS</a> decision to place the provider on probationary status; and
  - (2) no new referrals are made to the provider while on probationary status.
- (b)(c) A parent receiving notification of a provider's evaluation or probationary status with <u>CCLDFPS</u> pursuant to subsections (a) and (b) of this section may transfer the child to another eligible provider without being subject to the Board transfer policies described in §809.71(3) if the parent requests the transfer within 14 calendar days of receiving such notification.
- (c)(d) For a provider placed on evaluation or probationary status by <u>CCLDFPS</u>, Boards shall ensure that the provider is not reimbursed at the Boards' enhanced reimbursement rates described in §809.20 while on evaluation or probationary status.
- (d)(e) For a provider against whom <u>CCLDFPS</u> is taking adverse action, Boards shall ensure that:

|                  | (1)                       | parents with children enrolled in Commission-funded child care are notified no later than two business days after receiving notification from the Agency that  |
|------------------|---------------------------|--|
|                  |                           | CCL DFPS intends to take adverse action against the provider;  |
|                  | (2)                       | children enrolled in Commission-funded child care with the provider are transferred to another eligible provider no later than five business days after receiving notification from the Agency that <a href="CCLDFPS">CCLDFPS</a> intends to take adverse action against the provider; and |
|                  | (3)                       | no new referrals for Commission-funded child care are made to the provider while <u>CCLDFPS</u> is taking adverse action.  |
| <u>(e)</u> (     | imm                       | or adverse actions in which <u>CCLDFPS</u> has determined that the provider poses are ediate risk to the health or safety of children and cannot operate pending appeal e adverse action, but for which there is a valid court order that overturns  |
|                  | CCL<br>admi               | 'sDFPS' determination and allows the provider to operate pending nistrative review or appeal, Boards shall take action consistent with subsection of this section.   |
| —Ѕивсна          |                           | G. TEXAS RISING STAR PROGRAM   |
| § <b>809.1</b> 3 | 32. In                    | pact of Certain Deficiencies on TRS Certification.   |
| (a)              | A TF                      | RS provider shall lose TRS certification if the provider:  |
|                  | (1)                       | is placed on corrective action with a Board pursuant to Subchapter F of this chapter;  |
|                  | (2)                       | is under a "Notice of Freeze" with the Commission pursuant to Chapter 213 of<br>the Texas Labor Code (Enforcement of the Texas Unemployment<br>Compensation Act) or Chapter 61 of the Texas Labor Code (Payment of<br>Wages);  |
|                  | (3)                       | is placed on corrective or adverse action by CCL; or   |
|                  | (4)                       | had 15 or more total licensing deficiencies of any type during the most recent 12-month licensing history.   |
| (b)              | guide                     | providers with any of the critical licensing deficiencies listed in the TRS elines during the most recent 12-month CCL licensing history shall have the wing consequences:   |
|                  | (1)                       | reduction of one-star level, so a 4-Star Program Provider is reduced to a 3-Star Program Provider, a 3-Star Program Provider is reduced to a 2-Star Program Provider; or   |
|                  | —SUBCHA<br>§809.13<br>(a) | (2) (3) (e)(f) For immore of the CCL admit (d)(e)  —SUBCHAPTER §809.132. In (a) A TH (1) (2) (3) (4) (b) TRS guide follo   |

- (2) a 2-Star Program Provider loses certification.
- (c) TRS providers with five or more of the high or medium-high deficiencies listed in the TRS guidelines during the most recent 12-month CCL licensing history shall lose a star level with a 2-Star Program Provider losing certification.
- (d) TRS providers with 10 to 14 total licensing deficiencies of any type during the most recent 12-month CCL licensing history shall be placed on a six-month TRS program probationary period. Further:
  - (1) TRS providers on a six-month probationary period that are re-cited by CCL within the probationary period for any of the same deficiencies shall lose a star level with a 2-Star Program Provider losing certification;
  - (2) if any new deficiencies--not to exceed 14 total deficiencies--are cited by CCL during the first probationary period, a second six-month probationary period shall be established effective upon the date of final <u>CCL\_DFPS</u> determination of the deficiencies; and
  - (3) if any new deficiencies--not to exceed 14 total deficiencies--are cited by CCL during the second six-month probationary period, a provider shall lose TRS certification.
- (e) Providers losing a star level due to licensing deficiencies shall be reinstated at the former star level if no citations described in §809.132(b) (d) occur within the sixmonth reduction time frame.
- (f) Providers losing TRS certification shall be eligible to reapply for certification after six months following the loss of the certification, as long as no current deficiencies are re-cited and no additional licensing deficiencies are cited during the disqualification period.