

## **BILL ANALYSIS**

Senate Research Center  
79R1248 DAK-D

S.B. 97  
By: Shapleigh  
Finance  
2/14/05  
As Filed

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

The lack of affordable child care has traditionally been a barrier to employment, education, and training for parents who are dependent on, or at risk of becoming dependent on, public assistance. Texas Workforce Commission (TWC)-funded child care services serve two purposes: (1) to assist low-income families in maintaining or transitioning toward self-sufficiency by providing child care subsidies to eligible parents who are working or participating in education or training, and (2) to promote early physical, emotional, social, and intellectual development of children, who are the state's future workforce.

Those providers that voluntarily achieve Texas Rising Star Provider certification, offering quality care that exceeds the state's minimum licensing standards for health and safety, group size, child/staff ratios, care giver training, and age-appropriate curricula and activities, are the providers that contribute most significantly to the early development of the child.

As proposed, S.B. 97 would impose an additional \$1 tax per pack of cigarettes. The revenue generated from the tax would be appropriated to TWC to provide child care services for low-income families through providers who meet the Texas Rising Star provider criteria.

### **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 Section 154.021(b), Tax Code, to provide that tax rates are \$70.50, rather than \$20.50, per thousand on cigarettes weighing three pounds or less per thousand.

SECTION 2. Amends Section 154.603, Tax Code, as follows:

Sec. 154.603. DISPOSITION OF REVENUE. (a) Makes a nonsubstantive change.

(b) Provides that the revenue remaining after the deductions for the purposes provided by Section 154.602 (Funds for Enforcement) and allocation under Subsection (a) of the next \$18.50 of tax received per 1,000 cigarettes for cigarettes weighing three pounds or less per thousand and the next \$18.50 per 1,000 cigarettes of the tax received for cigarettes weighing more than three pounds per thousand is allocated to the general revenue fund. Makes nonsubstantive changes.

(c) Requires the revenue remaining after the deductions for the purposes provided by Section 154.602 and allocation under Subsections (a) and (b) to be deposited to the credit of an account in the general revenue fund to be established by the comptroller. Provides that money from the account may only be appropriated to the Texas Workforce Commission to provide child-care services for low-income families.

SECTION 3. Effective date: September 1, 2005.