



Texas Workforce Commission Policy Changes in Light of COVID-19
Updated April 1, 2020

The Texas Workforce Commission, which oversees the state's child care subsidy system, has taken many significant steps to support family access to subsidized child care during the COVID-19 crisis. We summarize these recent policy decisions below.

On March 17, TWC took the following actions related to child care programs participating in the state's subsidy system:

- Modified rules that require a certain level of attendance for families to access child care subsidy dollars to help pay for care. Rules were changed to consider all absences beginning March 1, 2020 to be COVID-19 related and be disregarded. An end to this policy will be determined at a later date.
- Received initial authorization to make supplemental payments to child care programs to help cover lost co-payments from families accepting child care subsidy, referred to as Parent Share of Cost.
- Updated existing policy related to parents' ongoing participation in work, education, or training. Existing policy states that parents are not required to report temporary changes in work or education. TWC updated the policy to state that Workforce Boards are directed to consider any pause in work/education related to COVID-19 to be treated as temporary, even if it extends beyond the normal three-month limit. Temporary changes in parents' work, education, or training status does not affect a child's ongoing eligibility for child care services.
- Asserted that a break in work, education, or training activity related to COVID-19 will be treated as "temporary" even if the break extends beyond three months, as long as the parent expects to return to work/education/training. In standing policy, eligibility for subsidy requires cessation of work or attendance not exceed three months.
- If the parent is not participating in, or is not scheduled to participate in work/education/training after COVID-19 related issues end, temporary displacement will be considered permanent and would be subject to termination of benefits. *See additional actions taken on March 24th to indefinitely extend the period that parents can be out of work/education/training,*
- Clarified that Local Workforce Boards should consider irregular fluctuations in earnings or work hours. They also direct boards to ensure that temporary fluctuations in income do not affect

eligibility.

- Clarified that Local Workforce Boards have latitude to postpone eligibility checks, or redetermination dates, for families when COVID-19 related issues occur. Reasons for this delay may include parents experiencing temporary interruption in work or the Board's contractor being unable to process the recertification due to office closures or reduction in staff capacity.
- Clarified that for child care programs that temporarily close or reduce operating capacity due to COVID-19, child care authorization shall continue. TWC is still providing subsidy payments for kids who were enrolled before the pandemic began, even if providers temporarily close or children temporarily disenroll.
- Clarified that for children with active child care referrals at a time a child care program closed due to COVID-19, affected programs will be reimbursed based on each child's authorized referral unless the parent requests that care be suspended or that the child care be transferred to a new child care program or workforce area.
- Clarified that if a child care program permanently closes, Boards must end authorizations for care at that facility and work with the families to find placement with another eligible program. If acceptable care cannot be found, the child's care is suspended.
- Clarified that Texas Rising Star assessors/mentors are currently not allowed to enter child care facilities. In accordance with Child Care Licensing directives, Local Workforce Boards must postpone required quarterly screenings and unannounced annual monitoring visits for TRS facilities.
- Clarified that TRS providers who have an assessment scheduled that is affected by COVID-19 may have an extension until no later than six months after the originally scheduled date. TWC will evaluate the COVID-19 impact and will issue further guidance as needed regarding TRS.

On March 24th, TWC took the following actions:

- Defined essential workers who will be provided emergency child care services to include,
 - pharmacy and healthcare;
 - first responders;
 - critical local and state government staff;
 - mail/delivery services;
 - nursing homes, child care, home healthcare, and other direct care providers;
 - grocery stores;
 - gas stations;
 - banks;
 - restaurants (with drive-through and delivery);
 - military personnel; and

- any other workers deemed essential by TWC or local workforce development boards
- Modified the CCDF State Plan to create a new category of protective care for these COVID Essential Workers and designating children of these workers as "protective services." These workers will be able to access emergency child care needs and waived of certain eligibility requirements.
- Streamlined eligibility process for COVID Essential Workers by seeking a waiver for federal income threshold requirements, set new state income threshold, and require workers self-attest that they are below the new set income threshold and require care in order to work. The Commissioners set an income limit of 150% of the State's Median Income (SMI), based on self-attestation. This allows a family of four earning 117k to qualify.
- In an effort to simplify the eligibility process, TWC will seek a waiver of the requirement for Essential Workers to document their work hours. Rather, they would self-attest that they are actively employed as an essential COVID worker.
- Declared intention to request federal waiver of rule that would require this COVID Essential Worker child care to be authorized for a full year. Rather, they seek flexibility to authorize child care for the duration of the crisis, updating as needed.
- Declared intention to request federal waiver to allow supplemental funding to programs to offset the Parent Share of Cost for all families with subsidies during the COVID-19 crisis. TWC estimates that an additional \$10 million per month will be required to implement these supplemental payments
- Updated CCDF state plan to provide greater flexibility to families experiencing work/education fluctuations as a result of COVID-19. TWC formally extended the amount of time parents can be out of work and still maintain subsidy from three months to a period to be determined based on an evaluation of labor market conditions and the status of the emergency.

Funding for Workforce Boards

- On March 25th, TWC distributed \$40 million to allow Workforce Development Boards to provide child care to the new COVID-19 Essential Workers, and, pending approval of a federal waiver from the Office of Child Care, make supplemental payments to cover lost Parent Share of Cost (PSOC) payments. These funds are expected to be evenly distributed between these two needs. *Note: TWC has implemented a statewide waiver of PSOC payments effective 4/1/20* ([WD Letter 08-20](#))