



CHILD CARE & EARLY LEARNING

## STATE CHILD CARE ASSISTANCE POLICIES: *TEXAS*

- **Income eligibility limit:** In 2015, local workforce development boards in Texas set the annual income limit for a family of three to qualify for child care assistance between \$34,629 (172 percent of poverty, 61 percent of state median income) and \$48,384 (241 percent of poverty, 85 percent of state median income).<sup>1</sup>
- **Waiting list:** Texas had 17,730 children on waiting lists for child care assistance as of February 2015.<sup>2</sup>
- **Parent copayments:** In 2015, Texas's local workforce development boards set the copayment for a family of three with an income at 100 percent of poverty (\$20,090 a year) receiving child care assistance between \$55 per month, or 3 percent of income, and \$180 per month, or 11 percent of income. Local boards set the copayment for a family of three with an income at 150 percent of poverty (\$30,135 a year) receiving child care assistance between \$125 per month, or 5 percent of income, and \$270 per month, or 11 percent of income.<sup>3</sup>
- **Reimbursement rates:** In 2015, reimbursement rates in Texas for most child care providers serving families receiving child care assistance were below the federally recommended level—the 75th percentile of current market rates, which is the level designed to give families access to 75 percent of the providers in their community.<sup>4</sup>
  - The monthly reimbursement rate for center care for a four-year-old in the Gulf Coast Workforce Development Area was \$507,<sup>5</sup> which was \$163 (24 percent) below the 75th percentile of current market rates for this type of care.
  - The monthly reimbursement rate for center care for a one-year-old in the Gulf Coast Workforce Development Area was \$713,<sup>6</sup> which was \$67 (9 percent) below the 75th percentile of current market rates for this type of care.
- **Tiered reimbursement rates:** In 2015, Texas paid higher reimbursement rates for higher-quality care.
  - The reimbursement rate for center care for a four-year-old in the Gulf Coast Workforce Development Area at the highest quality tier was 5 percent higher than the rate at the lowest quality tier.
  - The reimbursement rate for center care for a four-year-old in the Gulf Coast Workforce Development Area at the highest quality tier was still below the 75th percentile of current market rates.
- **Eligibility for parents searching for a job:** In 2015, Texas allowed parents to continue receiving child care assistance for up to 4 weeks while searching for a job.<sup>7</sup> However, the state did not allow parents to qualify for child care assistance while searching for a job.

Source: Karen Schulman and Helen Blank, *Building Blocks: State Child Care Assistance Policies 2015* (Washington, DC: National Women's Law Center, 2015). These data reflect policies as of February 2015, unless otherwise indicated.



- 1 Local workforce development boards set their income limits within state guidelines; the range shown here indicates the lowest and highest income limits set by local boards. In addition, some local boards allow families an extended year of child care assistance up to a higher income than the initial eligibility limit; however, this exit eligibility limit cannot exceed 85 percent of state median income. As of October 2015, the maximum income at which local boards can set their eligibility limits was expected to increase to \$49,635 (85 percent of state median income) to adjust for the updated state median income estimate.
- 2 Local workforce development boards maintain waiting lists. This total represents the aggregate number of children on waiting lists across all of the state's 28 boards. In addition, some boards have frozen intake. In 2015, 14 boards had a waiting list and 3 boards had frozen intake (including some of which may have had both a waiting list and frozen intake).
- 3 Local workforce development boards set their copayments within state guidelines. Also note that parents participating in the Temporary Assistance for Needy Families Work Program and the Supplemental Nutrition Assistance Program (SNAP) Employment and Training program are exempt from the copayment.
- 4 Local workforce development boards determine reimbursement rates. Average rates across board areas range from the 8th to 74th percentile of 2013 market rates.
- 5 The state has higher rates for higher-quality care; this is the base (lowest) rate, which is the most common rate level.
- 6 This is the base (lowest) rate, which is the most common rate level.
- 7 Parents receiving child care assistance can continue to receive it while searching for a job for up to 4 weeks in a federal fiscal year.

