



CHILD CARE & EARLY LEARNING

STATE CHILD CARE ASSISTANCE POLICIES: TEXAS

- **Income eligibility limit:** In 2017, local workforce development boards in Texas set the annual income limit for a family of three to qualify for child care assistance between \$37,296 (183 percent of poverty, 62 percent of state median income) and \$50,913 (249 percent of poverty, 85 percent of state median income).¹
- **Waiting list:** Texas had 41,593 children on waiting lists for child care assistance as of February 2017.²
- **Parent copayments:** In 2017, Texas's local workforce development boards set the copayment for a family of three with an income at 100 percent of poverty (\$20,420 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 (\$30,630 a year) receiving child care assistance between \$125 per month, or 5 percent of income, and \$270 per month, or 11 percent of income.³
- **Payment rates:** In 2017, payment rates in Texas for 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—in many areas of the state.⁴
 - The monthly payment rate for center care for a four-year-old in the Gulf Coast Workforce Development Area was \$507,⁵ which was \$201 (28 percent) below the 75th percentile of current market rates for this type of care.
 - The monthly payment rate for center care for a one-year-old in the Gulf Coast Workforce Development Area was \$713,⁶ which was \$95 (12 percent) below the 75th percentile of current market rates for this type of care.
- **Tiered payment rates:** In 2017, Texas had higher payment rates for higher-quality care.⁷
 - The payment rate for center care for a four-year-old in the Gulf Coast Workforce Development Area at the highest quality tier was 9 percent higher than the rate at the lowest quality tier.
 - The payment 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 2017, Texas allowed parents already receiving child care assistance to continue receiving it for up to 3 months while searching for a job.⁸ However, the state did not allow parents to initially qualify for and begin receiving child care assistance while searching for a job.⁹

Source: Karen Schulman and Helen Blank, *Persistent Gaps: State Child Care Assistance Policies 2017* (Washington, DC: National Women's Law Center, 2017). These data reflect policies as of February 2017, 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 2017, the maximum income at which local boards can set their eligibility limits was increased to \$51,778 (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 2017, 27 boards had a waiting list and 10 boards had frozen intake (including some of which may have had both a waiting list and frozen intake). Families in the Temporary Assistance for Needy Families (TANF) work program (Choices), families transitioning from TANF, families in the Supplemental Nutrition Assistance Program (SNAP) Employment and Training program, and children receiving protective services are served without being placed on the waiting list.
- 3 Local workforce development boards set their copayments within state guidelines; the copayments here reflect the range of copayments set by local boards. Also note that parents participating in the TANF work program (Choices), families transitioning from TANF, families participating in the SNAP Employment and Training program, children receiving protective services, and homeless families are exempt from copayments.
- 4 Local workforce development boards determine their own payment rates. Average rates across board areas range from the 19th to 75th percentile of 2015 market rates.
- 5 The state requires local workforce development boards to set 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 The state requires that local workforce development boards set their rates at 5 percent above the base rate or higher for providers at the two-star level of the state's quality rating and improvement system and providers participating in the Texas School Ready project (a comprehensive preschool teacher training program); 7 percent above the base rate or higher for three-star providers; and 9 percent above the base rate or higher for four-star providers.
- 8 Parents receiving child care assistance can continue to receive it while searching for a job for up to 3 months or until the end of their eligibility period, whichever comes first.
- 9 Parents can only qualify for child care assistance while searching for a job if their family is experiencing homelessness.

