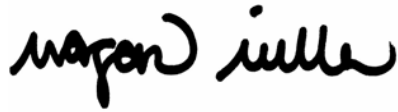


**TEXAS WORKFORCE COMMISSION**  
**Workforce Development Letter**

<b>ID/No:</b>	WD 17-21
<b>Date:</b>	August 17, 2021
<b>Keyword:</b>	Child Care; TWIST
<b>Effective:</b>	October 1, 2021

**To:** Local Workforce Development Board Executive Directors  
Commission Executive Offices  
Integrated Service Area Managers



**From:** Reagan Miller, Director, Child Care & Early Learning Division

**Subject:** **Board Contract Year 2022 Federal Poverty Guidelines and State Median Income Amounts for Determining Eligibility and Parent Share of Cost for Child Care Services**

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**PURPOSE:**

The purpose of this WD Letter is to provide Local Workforce Development Boards (Boards) with the federal poverty guidelines (FPG) and state median income (SMI) amounts used to determine family eligibility and parent share of cost for child care services in Board Contract Year 2022 (BCY'22).

**RESCISSIONS:**

WD Letter 22-20 (as of October 1, 2021)

**BACKGROUND:**

Texas Workforce Commission (TWC) Child Care Services rule §809.41 requires Boards to set family income limits for child care eligibility that do not exceed 85 percent of the SMI. Section 809.19(a)(1)(B) requires Boards to set a policy that assesses the parent share of cost at “an amount determined by a sliding fee scale based on the family’s size and gross monthly income . . . which also may consider the number of children in care.”

**PROCEDURES:**

**No Local Flexibility (NLF):** This rating indicates that Boards must comply with the federal and state laws, rules, policies, and required procedures set forth in this WD Letter and have no local flexibility in determining whether and/or how to comply. All information with an NLF rating is indicated by “must” or “shall.”

**Local Flexibility (LF):** This rating indicates that Boards have local flexibility in determining whether and/or how to implement guidance or recommended practices set forth in this WD Letter. All information with an LF rating is indicated by “may” or “recommend.”

**NLF:** Effective October 1, 2021, Boards must use the:

- BCY'22 income data in Attachment 1, Board Contract Year 2022 Income Limit Eligibility Code Card for Child Care Services, to determine eligibility for child care services; and
- BCY'22 income ranges in Attachment 2, Income Ranges for Parent Share of Cost Assessment, to assess the parent share of cost.

**LF:** Boards may use the FPG or the SMI range to determine income limits for eligibility.

**NLF:** Boards must ensure that income limits do not exceed 85 percent of SMI.

**LF:** Boards may:

- use the FPG or SMI income range to assess the parent share of cost;
- adjust the parent share of cost amount for any FPG or SMI income range<sup>1</sup>; and
- continue to use the BCY'21 parent share of cost amount for each FPG or SMI income range for BCY'22 without Board action in an open meeting.

**NLF:** Boards must ensure that the appropriate staff member enters the updated parent share of cost amount that becomes effective October 1, 2021 (BCY'22), into The Workforce Information System of Texas (TWIST), using the Share of Cost tab on the WDA Administration screen, with "Child Care Administration" selected from the menu.

Technical Assistance Bulletin 252, issued August 9, 2012, and titled "Entering Board Contract Year Parent Share of Cost Amounts into The Workforce Information System of Texas," explains in detail how to enter the parent share of cost amounts into TWIST.

**INQUIRIES:**

Send inquiries regarding this WD Letter to [childcare.programassistance@twc.texas.gov](mailto:childcare.programassistance@twc.texas.gov).

**ATTACHMENTS:**

Attachment 1: Board Contract Year 2022 Income Limit Eligibility Code Card for Child Care Services

Attachment 2: Income Ranges for Parent Share of Cost Assessment

**REFERENCES:**

US Department of Health and Human Services, "Annual Update of the HHS Poverty Guidelines," *Federal Register*, Vol. 86, No. 19, published February 1, 2021

US Department of Health and Human Services, "State Median Income Estimates for Optional Use in FY 2021 and Mandatory Use in FY 2022," LIHEAP IM-2021-03, published July 6, 2021

Texas Workforce Commission Chapter 809 Child Care Services Rules

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<sup>1</sup>When adjusting the parent share of cost, Board members must hold an open meeting as required by TWC Integrity of the Texas Workforce System rule §802.1(f) and as explained in WD Letter 10-07, issued February 2, 2007, and titled "Adoption of Local Workforce Development Board Policies in Open Meetings."

Technical Assistance Bulletin 252, issued August 9, 2012, and titled “Entering Board Contract Year Parent Share of Cost Amounts into The Workforce Information System of Texas”

WD Letter 10-07, issued February 2, 2007, and titled “Adoption of Local Workforce Development Board Policies in Open Meetings”