

# Board Contract Year 2023 Texas Rising Star Staffing Distribution Discussion Paper

## 1 Background

2 The 87<sup>th</sup> Texas Legislature enacted House Bill ([HB](#)) [2607](#), making participation in the Texas Rising  
3 Star program a requirement for all child care programs participating in the Texas Workforce  
4 Commission’s (TWC) Child Care Services program (CCS). As outlined in TWC’s [proposed](#)  
5 [amendments to Chapter 809, Child Care Services rules](#), CCS child care programs would have two  
6 years to attain at least a 2-Star certification. And as directed in HB 2607, the rules also propose the  
7 parameters for TWC to authorize limited-exception waivers to allow child care programs up to 36  
8 additional months.

9  
10 In addition, the 87<sup>th</sup> Texas Legislature also enacted [HB 1792](#), which directs TWC to procure a single  
11 entity to employ all Texas Rising Star assessors. TWC is currently in the procurement process, with a  
12 goal of a single entity being selected, and under contract to begin conducting assessments in Board  
13 Contract Year 2023 (BCY23). TWC will continue to fund Local Workforce Development Boards  
14 (Board) to oversee and implement mentoring services.

## 16 Issue

17 As published in TWC’s [Child Care by the Numbers](#), the number of Texas Rising Star-certified child  
18 care programs has been increasing over the past few years, but a majority of CCS child care programs  
19 must still become Texas Rising Star certified. The following chart reflects the number and percent of  
20 providers with CCS children in care:

BCY	Number of Non-TRS CCS Providers	Number of TRS CCS Providers	TRS as a % of CCS Providers	Not TRS As a % of CCS Providers
2018	5,993	1,182	16.5%	83.5%
2019	5,849	1,505	20.5%	79.5%
2020	5,451	1,747	24.3%	75.7%
2021	4,962	2,006	28.8%	71.2%
2022*	4,350	1,829	29.6%	70.4%

22 \*As of March 2022

23  
24 When TWC’s Chapter 809 Child Care rule amendments become effective, Boards will be required to  
25 provide mentoring assistance to all CCS child care programs, both to assist those who are not yet  
26 certified, and to assist those who are certified to pursue higher star-levels. TWC estimated the costs  
27 associated with increasing mentoring services, as published in the [HB2607 Fiscal Note](#). These costs  
28 were based on the assumption that more child care programs will become Texas Rising Star certified in  
29 the first two years of implementation. TWC staff estimated that the existing uncertified programs will  
30 attain certification over the next four years as follows:

- 31
- 32 BCY23 – 25% will attain Texas Rising Star certification
- 33 BCY24 – 25% will attain Texas Rising Star certification
- 34 BCY25 – 15% will attain Texas Rising Star certification
- 35 BCY26 – 10% will attain Texas Rising Star certification
- 36

1 Based upon these parameters, TWC staff estimated the following amounts were needed to support  
2 Texas Rising Star mentors:

- 3
- 4 BCY23 - \$22,000,000
- 5 BCY24 - \$27,000,000
- 6 BCY25 - \$29,000,000
- 7 BCY26 - \$31,000,000
- 8

9 TWC staff also analyzed distribution methodologies. In prior years, the Texas Rising Star distribution  
10 methodology was more heavily weighted based on the relative percent of each Board's Texas Rising  
11 Star programs. As Boards will now be required to support not only current Texas Rising Star-certified  
12 child care programs, but also support non-Texas Rising Star child care programs, staff recommends  
13 that the distribution consider a Board's relative percentage of all CCS child care programs. In addition,  
14 staff also recommends that the distribution methodology exclude CCS child care programs who have  
15 not had a CCS child referred in the past 18 months (from December 2020 through May 2022), as we  
16 expect that these providers may not continue their participation in the CCS program given the  
17 requirement that they pursue Texas Rising Star certification.

18  
19 Staff also recommends that the distribution consider the size of a program, as mentors are required to  
20 observe all classrooms within a child care program. Staff recommends that the distribution consider  
21 licensed capacity, as this is a proxy for child care program/classroom size.

22  
23 Attachment 1 reflects the recommended BCY'23 Texas Rising Star Staffing Support distribution  
24 amounts, which include a \$150,000 base amount, and uses the following distribution criteria for the  
25 remaining amount:

- 26 • 60% based on the Board's relative proportion of all CCS child care programs, excluding  
27 CCS providers who have not had a CCS-referral in the past 18 months
- 28 • 40% based on the Board's relative proportion of licensed capacity of all CCS child care  
29 programs, excluding CCS providers who have not had a CCS-referral in the past 18 months.
- 30

31 **Decision Point**

32 Staff recommends that the Texas Workforce Commission's three-member Commission approve the  
33 BCY'23 Texas Rising Star distribution, using the methodology as outlined above.

		Distribution Methodology*: \$150K Base amount; Remaining 60% based on CCS Providers; 40% based on CCS Provider Capacity. Excluding CCS providers with no referrals in the past 18 months.					
		Providers	Capacity	% of State Providers	% of State Capacity	BCY'23 Distribution	Difference BCY'23 vs. BCY'22
1	Panhandle	104	8,774	1.53%	1.35%	\$409,259	\$83,921
2	South Plains	117	10,732	1.72%	1.65%	\$451,105	\$114,133
3	North Texas	72	5,477	1.06%	0.84%	\$322,941	\$52,270
4	North Central	528	67,282	7.75%	10.36%	\$1,715,420	\$687,752
5	Tarrant	473	47,245	6.95%	7.27%	\$1,409,572	\$94,920
6	Dallas	548	51,884	8.05%	7.99%	\$1,578,034	\$319,222
7	North East Texas	64	6,385	0.94%	0.98%	\$320,346	\$73,744
8	East Texas	194	18,237	2.85%	2.81%	\$654,113	\$97,898
9	West Central Texas	92	7,385	1.35%	1.14%	\$375,217	\$42,837
10	Borderplex	262	17,333	3.85%	2.67%	\$750,848	\$56,246
11	Permian Basin	100	10,212	1.47%	1.57%	\$418,745	\$171,896
12	Concho Valley	48	4,312	0.70%	0.66%	\$272,534	\$86,364
13	Heart of Texas	107	8,477	1.57%	1.30%	\$410,709	\$32,660
14	Capital Area	272	26,731	3.99%	4.11%	\$869,527	(\$139,464)
15	Rural Capital	305	33,228	4.48%	5.11%	\$992,484	\$313,181
16	Brazos Valley	108	7,967	1.59%	1.23%	\$406,688	\$71,528
17	Deep East Texas	77	7,518	1.13%	1.16%	\$353,150	\$33,371
18	Southeast Texas	91	9,667	1.34%	1.49%	\$398,658	\$103,835
19	Golden Crescent	58	4,790	0.85%	0.74%	\$293,456	\$112,310
20	Alamo	497	51,649	7.30%	7.95%	\$1,495,476	\$412,111
21	South Texas	111	6,369	1.63%	0.98%	\$393,879	\$80,750
22	Coastal Bend	150	11,535	2.20%	1.78%	\$511,659	\$152,182
23	Lower Rio Grande Valley	395	25,157	5.80%	3.87%	\$1,045,176	\$319,874
24	Cameron County	154	10,113	2.26%	1.56%	\$502,347	\$90,242
25	Texoma	60	4,642	0.88%	0.71%	\$294,970	\$88,705
26	Central Texas	204	15,391	3.00%	2.37%	\$638,605	\$151,407
27	Middle Rio Grande	41	2,789	0.60%	0.43%	\$244,865	\$48,730
28	Gulf Coast	1,578	168,392	23.17%	25.92%	\$4,470,217	\$1,247,375
	<b>Statewide</b>	<b>6,810</b>	<b>649,673</b>	<b>100.00%</b>	<b>100.00%</b>	<b>\$22,000,000</b>	

\* Factor data as of May 2022