RESCINDED

TEXAS WORKFORCE COMMISSION
Workforce Development Letter

<table>
<thead>
<tr>
<th>ID/No:</th>
<th>WD 09-20, Change 1</th>
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<tbody>
<tr>
<td>Date:</td>
<td>April 16, 2020</td>
</tr>
<tr>
<td>Keyword:</td>
<td>Child Care; Natural Disaster</td>
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<td>Effective:</td>
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To: Local Workforce Development Board Executive Directors
Commission Executive Offices
Integrated Service Area Managers

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

Subject: Emergency Child Care for COVID-19 Essential Workers and Extension of Child Care Job Search Period During COVID-19 Emergency—Update

PURPOSE:
The purpose of this WD Letter is to provide Local Workforce Development Boards (Boards) with guidance on implementing emergency subsidized child care for essential workers and extending the job search period during the ongoing global pandemic of coronavirus disease 2019 (COVID-19).

RESCISSIONS:
WD 09-20

BACKGROUND:
On March 24, 2020, Texas Workforce Commission’s (TWC) three-member Commission (Commission) authorized TWC and Boards to implement emergency subsidized child care in response to the global pandemic of COVID-19 using its current Child Care and Development Block Grant (CCDBG) funding. The Commission’s actions included the following:

- Expanding TWC’s definition of children needing protective services to include children of specified COVID-19 frontline essential workers
- Implementing a statewide modified income eligibility threshold for specified frontline essential workers that require child care subsidies in order to work
- Implementing a supplemental distribution to Boards to fund direct care for specified workers deemed essential during the COVID-19 emergency
- Extending the three-month job search period for parents who are currently unemployed or become unemployed during the emergency

On March 27, 2020, House Resolution 748, the Coronavirus Aid, Relief, and Economic Security (CARES) Act was signed into law. This law provides an increase in CCDBG funds and authorizes states to use these funds to provide child care to COVID-19 Frontline
Essential Workers without regard to income eligibility requirements. The CARES CCDBG funds will allow Boards to begin using TWC’s modified income eligibility threshold for frontline essential workers immediately.

On March 31, 2020, Governor Abbott issued Executive Order GA 14, relating to statewide continuity of essential services and activities during the COVID-19 pandemic. This executive order limits in-person interactions and work activity outside of one’s household, except where necessary to provide or obtain essential services, and references the US Department of Homeland Security (DHS) Cybersecurity and Infrastructure Security Agency’s (CISA) Guidance on the Essential Critical Infrastructure Workforce: Ensuring Community and National Resilience in COVID-19 to identify frontline essential workers. The guide deems that dependent care services that support workers in other essential products and services are considered essential.

The governor’s executive order requires child care programs to serve only children of essential workers (as defined by CISA) and children receiving protective day care services authorized by the Department of Family and Protective Services (DFPS). Child care providers must confirm a parent’s essential worker status; at least one parent per child in care must complete Child Care Licensing (CCL) Form 7265 to indicate which approved essential service the parent is providing as specified by DHS or the Texas Division of Emergency Management or complete CCL Form 7264 to indicate that the parent has been authorized by DFPS to receive protective day care services.

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.”

Eligibility for TWC COVID-19 Essential Worker Child Care

NLF: Boards must be aware that effective March 25, 2020, TWC’s definition of “protective services” includes a new category for children of specified COVID-19 frontline essential workers: TWC COVID-19 Essential Workers.

The TWC COVID-19 Essential Workers eligibility category includes the following types of essential work. Due to limited funding, Boards must prioritize child care services for TWC COVID-19 essential workers in the order listed:

1. Workers in child care services that support workers in other essential functions
2. Pharmacy and health care workers
3. First responders
4. Critical infrastructure workers in grocery, utilities, and trucking
5. Other identified infrastructure workers, which include:
a. critical state and local government staff;

b. mail/delivery services;

c. nursing homes, home health care, and other direct care providers;

d. banks;

e. gas stations;

f. military; and

g. restaurants and other food delivery

6. Other critical occupations identified by the Board.

**NLF:** Boards must ensure that TWC COVID-19 Essential Workers meet the Commission’s approved modified state income eligibility threshold—approximately 150 percent of the state’s median income (SMI), either monthly or annually, as follows:

<table>
<thead>
<tr>
<th>Family Size</th>
<th>TWC Threshold of Approximately 150% SMI (Monthly)</th>
<th>TWC Threshold of Approximately 150% SMI (Annually)</th>
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<tr>
<td>2</td>
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<td>$80,000</td>
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<tr>
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<tr>
<td>10</td>
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</table>

**NOTE:** Income thresholds for TWC COVID-19 Essential Workers are based on SMI estimates published by the Administration for Children and Families and are rounded to the nearest hundred or thousand to help parents easily identify where they fall. Parents may use the monthly or annual amount to determine if they are eligible.

**NLF:** Boards must be aware that in accordance with provisions for children who need protective services, as defined in TWC’s Child Care Services rule §809.19(a)(2)(D), TWC COVID-19 Essential Workers are exempt from parent share of cost (PSOC) requirements.

**NLF:** Boards must be aware that children requiring protective services must be served regardless of recoupment that a parent may owe. Boards must disregard child care recoupment owed by eligible TWC COVID-19 Essential Workers during the duration of their eligibility period.

**NLF:** Boards must implement an expedited process to determine eligibility and enroll children of TWC COVID-19 Essential Workers, using TWC’s COVID-19 Essential Worker Child Care Enrollment Form or a locally adapted application (including simplified online applications). TWC provided each Board with a customized version of the COVID-19 Essential Worker Child Care Enrollment Form in English and Spanish.
NLF: Boards must be aware that TWC has posted links to each Board’s enrollment form or designated web page that contains information related to child care for COVID-19 Frontline Essential Workers. These links will be accessible from TWC’s COVID-19 Child Care web page by selecting “Contact your Local Board to determine if you qualify” under the “Resources for Parents” heading.

NLF: Boards must be aware that a child is eligible for TWC COVID-19 Essential Worker child care if the parent is currently employed as an essential worker as defined above and:
- the parent requires child care services in order to work;
- the family income is at or below 150 percent of the SMI; and
- the child:
  - is under age 13 (or under age 21 if disabled);
  - has legal citizenship or immigration status; and
  - resides with a family (including with an individual standing in loco parentis) within the Board’s local workforce development area.

NLF: Boards must accept a parent’s self-attestation for all eligibility criteria except for a child’s legal immigration status. TWC COVID-19 Essential Workers are not required to submit documentation to verify any other aspects of eligibility.

NLF: Boards must be aware that an essential worker in a two-parent household in which the other parent is not a frontline essential worker and is capable of caring for the child in the home does not meet the eligibility criteria of needing child care in order to work, and the parent must not be determined eligible for child care services as a TWC COVID-19 Essential Worker.

NLF: To reduce social contact and spread of COVID-19, Boards must accept:
- electronic signatures (including forms submitted electronically with a typed name and date in the signature line and digital photographs of enrollment form); and
- electronic documentation of a child’s immigration status if applicable (for example, digital photographs of documents).

NLF: Pending approval of a federal waiver, Boards must be aware that TWC COVID-19 Essential Workers are exempt from the 12-month eligibility requirement. Boards must set up care for three months of eligibility.

TWC will continue to monitor the emergency and the ongoing need for essential worker care on a monthly basis and will direct Boards on any extensions or changes to this requirement.

NLF: Boards must be aware that if the federal waiver is not approved, TWC will direct Boards to adjust eligibility periods for TWC COVID-19 Essential Workers to 12 months.

LF: Eligible Low-Income families that are employed in an essential service defined by CISA but are not employed in a TWC COVID-19 Essential Worker occupation (as defined above)
may receive child care services through the Board’s funding for At-Risk/Low-Income child care.

**Child Care Program Payments**

**NLF:** Boards must reimburse child care programs for TWC COVID-19 Essential Workers child care regardless of whether the program receives reimbursements for children who are temporarily not attending due to COVID-19. As described in WD Letter 07-20, issued on March 26, 2020, and titled “COVID-19 Child Care Services Guidance,” TWC will monitor absences monthly and will issue guidance on when this requirement must end.

**Supplemental Funds for TWC COVID-19 Essential Workers**

**NLF:** Boards must be aware that TWC distributed funds to Boards, as described in WD Letter 08-20, Change 1, issued on April 10, 2020, and titled “COVID-19 and Child Care Parent Share of Cost—Update” and its attachment, titled “Fiscal Year 2020 COVID-19 Child Care Supplemental Distribution.” The distribution included $20 million for Fiscal Year 2020 Essential Child Care to fund direct care for eligible TWC COVID-19 Essential Workers.

**NLF:** Boards must report direct care expenditures for TWC COVID-19 Essential Workers in the Cash Draw and Expenditure Reporting (CDER) system under the new COVID-19 supplemental cost category, Essential Care Workers.

**LF:** As described in WD Letter 08-20, Change 1, only with TWC approval may Boards transfer funds between the COVID-19 Parent Share Supplemental Payments and Essential Care Workers budget line items added to CDER.

**NLF:** Boards seeking to transfer funds between these line items must submit a contract action request (CAR) form to BAEL@twc.state.tx.us.

**TWIST Changes**

**NLF:** Boards must be aware that TWIST will also be updated to include a new Special Projects code value for TWC COVID-19 Essential Workers (9-COVIDTX). Boards must ensure that staff uses the new Special Projects code when setting up child care services for TWC COVID-19 Essential Workers.

**NLF:** Boards must be aware that a new Funding Contract type (COVIDTX) will be added to TWIST and associated with the new Special Projects code (9-COVIDTX), enabling Boards to track provider payments for TWC COVID-19 Essential Workers. BAEL contract management staff will work with Boards to set up the new Funding Contract type in TWIST.

**Extension of Job Search Period for All Families**

**NLF:** Boards must be aware that in response to the COVID-19 emergency, TWC approved an extension of the job search period, as described in §809.51, for non-temporary changes in a parent’s ongoing status in work that exceeds three months.
**NLF:** If a parent’s job search period is scheduled to end before June 1, 2020, Boards must extend the job search period and/or activity interruption through August 2020.

**NLF:** TWC will continue to evaluate labor market conditions and the status of the COVID-19 emergency on a monthly basis and will provide further guidance on job search periods as conditions change.

**NLF:** Boards must continue to provide child care services for families experiencing non-temporary changes in a parent’s ongoing status in work that exceeds three months until further guidance is issued by TWC.

**Child Care Income Report and UI Early Warning Report**

**NLF:** Boards must suspend procedures to use the Child Care Income Report and the Unemployment Insurance (UI) Early Warning Report to identify eligibility or program violations while the policy to extend job search periods is in effect. TWC will advise Boards of when to resume using these reports.

**LF:** Boards may leverage the UI Early Warning Report to help employers that are hiring identify possible workers.

**INQUIRIES:**
Send inquiries regarding this WD Letter to childcare.programassistance@twc.state.tx.us.

**ATTACHMENT:**
Attachment 1: Revisions to WD 09-20 Shown in Track Changes

**REFERENCES:**
House Resolution 748, Coronavirus Aid, Relief, and Economic Security Act


TWC Chapter 809 Child Care Services Rules
TWC Child Care Services Guide
**WD Letter 07-20, issued March 26, 2020, and titled “COVID-19 Child Care Services Guidance”**
**WD Letter 08-20, Change 1, issued April 10, 2020, and titled “COVID-19 and Child Care Parent Share of Cost—Update”**