CHAPTER 809.Child Care and Development 40 TAC \$809.88

The Texas Workforce Commission (TWC) proposes new §809.88, concerning additional eligibility criteria for Transitional child care benefits. The new section implements child care provisions of House Bill (H.B.) 1863, the Texas Welfare Reform legislation. Under current federal legislation, clients who lose eligibility for Aid to Families with Dependent Children (AFDC) due to earnings are entitled to 12 months of transitional child care if the care is needed to support the parent's employment. TWC addresses eligibility for these benefits in current §809.13. H.B. 1863 expands the transitional child care entitlement to cover clients who lose AFDC due to expiration of AFDC time limits. In addition, H.B. 1863 specifies that a client who is exempt from participation in the Job Opportunities and Basic Skills (JOBS) program because of the age of the youngest child or because the client must care for a child with disabilities will be entitled to an extra six months (for a total of 18 months) of transitional child care if the client volunteers for the JOBS program. New \$809.88 addresses the specific criteria to be used to determine if clients have a need for the child care services. For clients who become entitled to transitional child care due to loss of time-limited AFDC benefits, the definition of need allows child care during a brief job search period and/or to support employment. These provisions of H.B. 1863 are included in a waiver of federal regulations recently approved by the Department of Health and Human Services.

Mr. Steve Hudson, Director of Finance, has determined that for the first five year period the section is in effect there will be the following estimated fiscal impact on state government: FY 1996-\$0; FY 97-\$31,876; FY 98-\$1,885,519; FY 99-\$2,795,215; FY 2000-\$3,310,522.

There will be no fiscal impact on local government and no effect on small business. There are no anticipated economic costs to persons who are required to comply with the section as proposed.

Charlotte Brantley, Interim Director of Child Care, has determined that for the first five years the section is in effect the public benefit anticipated is an increase in the number of low income parents able to enter and remain in the workforce due to expanded access to child care benefits.

Comments on the proposal may be submitted to Charlotte Brantley, Interim Director of Child Care, P. O. Box 149030, Mail Code E311, Austin, Texas 78714-9030 (512) 438-4179 or 438-4174.

The new section is proposed under the Human Resources Code, Chapter 44.002 which provides the Texas Workforce Commission with the authority to adopt, amend, or rescind such rules as it deems necessary for the effective administration of child care programs which are fully or partially federally funded. No other statute, article or code will be affected by this proposal.

§809.88.Additional Transitional Child Care Eligibility Criteria.

- (a) In addition to clients guaranteed child care under \$809.13(a) of this title (relating to Eligibility for Title IV-A funded Child Care Services), clients who meet the requirements specified in Subchapter A, Chapter 31 Human Resources Code, \$31.0035(a)(2) and \$31.012(c) are also guaranteed child care to accept employment or remain employed.
- (b) Except as described in subsections (1) and (2) as follows, the client must be employed to receive these benefits.
- (1) If the client is not employed at the time the client loses AFDC benefits, the client can receive child care for up to the first four weeks of the Transitional child care eligibility period, as needed, to seek employment.
- (2) If the client is enrolled in and attending an education or training program that is not yet completed at the time the client loses AFDC benefits, the client can receive child care for up to the first eight weeks of the Transitional child care eligibility period, as needed, to continue attending the education or

training program. At the end of the eight weeks or when the client completes the education or training program, whichever occurs earlier, the client can receive up to the next four weeks of the Transitional child care eligibility period to seek employment.

(c) Clients receiving child care benefits according to subsection (a) and (b) of this section, must comply with parent fee requirements as specified in \$\$809.24 and 809.44 of this title (relating to Assessing Required Parent Fees and Parent Payments of Assessed Parent Fees and Child Care Subsidies). (d) Clients receiving child care benefits according to subsection (a) and (b) of this section must also comply with all rules that apply to clients receiving child care benefits under \$809.13(a) of this title (relating to Eligibility for Title IV-A funded Child Care Services).

This agency hereby certifies that the proposal has been reviewed by legal counsel and found to be within the agency's authority to adopt. Issued in Austin, Texas, on July 10, 1996.

TRD-9609913

Esther Hajdar Director of Legal Services Texas Workforce Commission

Earliest possible date of adoption: August 19, 1996 For further information, please call: (512) 463-8812