

Texas Workforce Commission
Fiscal Year 2026 TANF and Child Care Allocations

WHEREAS, Sections 301.001, 302.002, Texas Labor Code, establish the Texas Workforce Commission (TWC) to operate an integrated workforce development system in this state, in particular through the consolidation of job training, employment, and employment-support services (including subsidized child care), to achieve an efficient and effective delivery of services, and to allocate funds to local workforce development areas for the purpose of meeting or exceeding statewide performance targets, as set forth in the General Appropriations Act, and consistent with federal and state program requirements; and

WHEREAS, Section 302.062(a), Texas Labor Code, provides that the Texas Workforce Commission shall provide to the local workforce development areas in which local workforce boards have been certified and local plans approved by the Governor, through a block grant process, funds available to the Commission for workforce training and employment services; and

WHEREAS, S.B. No. 1, General Appropriations Act, 89th Legislature, Regular Session, appropriates funds to support TWC's mission to promote and support a workforce system that offers individuals, employers, and communities the opportunity to achieve and sustain economic prosperity for the fiscal year 2026-27 biennium; and

WHEREAS, these Temporary Assistance for Needy Families (TANF) and Child Care block grant allocations consist of state and federal program funds for workforce training and employment and support services; and

WHEREAS, grant funds are awarded in concert with the requirements of associated state and federal statutes, program regulations and rules, and TWC contract provisions and requirements; and

WHEREAS, federal allotment amounts are known and allocations have been developed using updated block grant allocation data factors, and;

WHEREAS, pertinent informational references to TWC rules provisions are made throughout the block grant allocations, clarifying how amounts were computed, what allocation factors were utilized, the sources of the allocation factor data, pointing out that because federal fiscal year 2026 appropriations have not yet been enacted, these allocations may need to be subsequently amended, and providing various other details regarding relevant assumptions, explanations, and associated information.

NOW, THEREFORE, IT IS ORDERED by the Texas Workforce Commission that the fiscal year 2026 TANF Choices Allocation in the amount of \$74,404,408 and Child Care in the amount of \$1,436,029,277 are adopted, and the Executive Director is hereby ordered to administer these block grant allocations in the most feasible and economical manner within all guidance prescribed by the General Appropriations Act and consistent with federal and state program requirements.

Adopted on July 8, 2025:

Bryan Daniel, Chair and Commissioner Representing the Public

Alberto Treviño III, Commissioner Representing Labor

Joe Esparza, Commissioner Representing Employers