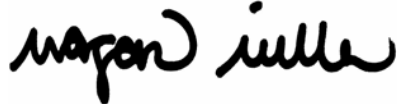


TEXAS WORKFORCE COMMISSION
Workforce Development Letter

ID/No:	WD 13-21, Change 3
Date:	September 30, 2026
Keyword:	Child Care
Effective:	October 1, 2026

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



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

Subject: Initial Job Search Child Care—Update

PURPOSE:

The purpose of this WD Letter is to provide Local Workforce Development Boards (Boards) with guidance on the implementation of Child Care Services (CCS) for parents engaged in job search at the time of eligibility determination or redetermination.

The purpose of this updated letter is to clarify federal requirements regarding the notification of parents' eligibility for 12 months of child care.

RESCISSIONS:

WD Letter 13-21, Change 2

BACKGROUND:

Under federal Child Care Development Block Grant (CCDBG) regulation 45 CFR [§98.21\(a\)\(2\)\(iii\)](#), states may initially qualify a family for assistance if the parent is seeking employment or engaging in job search and may end assistance after a minimum of three months if the parent has not found employment.

On September 1, 2026, TWC's Commission [adopted rule amendments](#) that change the Initial Job Search period from three months to 90 calendar days. This change is effective October 1, 2026.

Unemployed parents who are looking for work may qualify to receive child care subsidies under Texas Workforce Commission (TWC) Chapter 809 Child Care Services rule [§809.41\(a\)\(3\)\(B\)](#). According to [§809.56](#), a parent who is searching for work, including a parent in a two-parent family, is eligible for 12 months of child care services if at initial eligibility determination the family does not meet the minimum participation requirements for Low Income Child Care. However, retaining eligibility for the full 12 months is contingent upon the unemployed parent finding work within 90 days of eligibility determination.

Additionally, CCDBG regulations set forth parameters for how states are required to establish the parent co-payment. Per [45 CFR §98.45\(i\)\(2\)](#), co-payments must be based on family income and size. According to 45 CFR [§98.21\(a\)\(3\)](#), “Lead Agencies cannot increase family co-payment amounts, established in accordance with [§98.45\(k\)](#), within the minimum 12-month eligibility period.”

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.”

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: Boards must inform staff that families that do not meet the minimum participation requirements for Low Income Child Care eligibility, as defined in [§809.50](#), but that are otherwise eligible, do qualify for child care while searching for work. Continuation of the family’s eligibility period is contingent upon the parent(s) meeting participation requirements within 90 days of eligibility determination.

NLF: For initial eligibility determination, Boards must allow parents to self-attest their need for job search child care and that their family income is below 85 percent of the state median income.

NLF: Boards must inform staff that when a family is approved for Initial Job Search Child Care, the eligibility notification must specify that they are authorized for 12 months of child care services. This eligibility period, as defined in [§809.2\(13\)](#), comprises an initial 90-day job search period, with the remaining time being contingent upon the parent securing employment and meeting the participation requirements defined in [§809.56\(c\)](#).

LF: Boards may use the following language:

You have been approved to receive child care services for up to twelve (12) months.
Eligibility period*: Start date: [date] – End date: [date]

*As a condition of child care eligibility for the full period based upon Initial Job Search, you have 90 days to begin work. To remain eligible, you must submit proof of participation before [date]. Minimum participation for a single-parent family is 25 hours per week and 50 hours per week for a two-parent family. These hours can be a combination of school and work but must include at least 12 hours of employment for a single-parent family or 25 hours of employment for a two-parent family to meet continued eligibility for child care services.

NLF: Boards must ensure that parents approved for Initial Job Search Child Care are registered with the state’s labor exchange system, pursuant to [§809.56\(f\)](#), and that they have access

to the appropriate services available through the Texas workforce system, described in [§809.56\(f\)](#).

- NLF:** Boards must inform staff that at the end of the initial 90 days of eligibility, if the family still does not meet minimum activity requirements, care must be terminated. Minimum requirements for activity participation are at least 25 hours for a single-parent family or a total combined 50 hours per week for two-parent families, which must include a minimum of 12 hours in employment for a single-parent family and a total combined 25 hours in employment for a dual-parent family.
- NLF:** Boards must inform staff that if child care is terminated, the family must receive written notification, including parent rights and parent appeal rights, pursuant to [§809.71](#) and [§809.74](#), at least 15 calendar days before termination of child care.
- NLF:** Boards must inform staff that if participation requirements are met within 90 days, eligibility will continue for a total of 12 months, inclusive of the 90-day Initial Job Search period. If participation requirements are met, staff will end the “Initial Job Search” need reason effective the day before the parent’s employment start date and open a “Working” need reason for the remainder of the 12-month time frame.
- NLF:** Boards must inform staff that if participation requirements are met, the Boards must not require the family to resubmit a full application. Boards must only request documentation verifying employment and hours of participation.
- LF:** Boards may extend an Initial Job Search period for a maximum of 30 calendar days to ensure continuity of care while staff completes the paperwork to determine ongoing eligibility for a parent who has gained employment that meets activity requirements. Any extensions of the initial 90 days of eligibility must be clearly documented in Texas Child Care Connection (TX3C): KinderTrack and will be counted in the total eligibility period. Parent Share of Cost (PSoC) will remain at zero during the extension, ensuring that when PSoC is resumed, it is based upon verified and complete income information.
- NLF:** Boards must not collect initial income information or activity hours for parents who qualify for Initial Job Search Child Care due to unemployment. However, Boards must collect all other eligibility information that is normally required for Low Income Child Care, as outlined in TWC’s Child Care Services Guide, Section D-100.
- NLF:** Boards must ensure that parents are informed of the requirement to report non-temporary changes in work attendance, including gaining employment, pursuant to [§809.73](#). If a parent reports meeting the employment activity requirement within the 90-day period, the Board must determine eligibility for continued care under Low Income Child Care and collect required eligibility documentation for income and activity hours. The Board must not require the entire eligibility paperwork to be completed for continued care. Rather, the Board must only require information for income and activity hours.
- NLF:** Boards must ensure that PSoC is initially assessed at the Board’s highest amount based on the family’s size and number of children in care. The initially assessed amount will immediately be waived, and no PSoC will be collected by the child care provider for the

duration of the Initial Job Search period. This provision includes two-parent families in which one parent is working but the participation requirement of 50 hours per week is not being met.

NLF: Boards must ensure that the initially assessed PSoC is documented in TX3C: KinderTrack. The maximum PSoC amount, based on family size and the number of children in care, must be documented in TX3C: KinderTrack and communicated to the family.

NLF: Boards must inform staff that if the parent begins to meet participation requirements within or by the end of the 90 days, PSoC must be reinstated either at the initially assessed PSoC or at an amount based on the actual family income, whichever is lower.

NLF: Boards must ensure that priority of service, as outlined in [§809.43](#), is followed when serving Initial Job Search cases.

INQUIRIES:

Send inquiries regarding this WD Letter to childcare.programassistance@twc.texas.gov.

ATTACHMENTS:

Attachment 1: Revisions to WD Letter 13-21, Change 2, Shown in Track Changes

REFERENCES:

Child Care and Development Fund, 45 CFR [§98.21\(a\)\(2\)\(iii\)](#), [§98.21\(a\)\(3\)](#), and [§98.45\(i\)\(2\)](#)

Texas Workforce Commission Chapter [809 Child Care Services Rules](#)

Texas Workforce Commission [Child Care Services Guide](#)