

1 **Policy Concept**
2 **Chapter 835, Self-Sufficiency Fund**
3 **Rule Project #2021-06-835 – SB 770, Self-Sufficiency Fund Eligibility**
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5 **Introduction and Background**

6 Texas Workforce Commission (TWC) Chapter 835 Self-Sufficiency Fund rules provide the structure
7 and administrative procedures for the Self-Sufficiency Fund (SSF) program, administered by TWC. The
8 Commission adopted the rules in 2003 to establish and operate the SSF program.
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10 The 87th Texas Legislature passed Senate Bill (SB) 770 to expand eligibility for SSF participants by
11 removing the requirement that the participants have dependent children or be on public assistance prior
12 to starting the program. SB 770 amended Texas Labor Code, §309.002(a) to specify eligibility as
13 "individuals who are identified by the commission as being low-income or at risk of becoming
14 dependent on public assistance benefits."
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16 The four-year rule review required by Texas Government Code, §2001.039 is due in 2022. Staff will
17 review the rules to ensure the rules align with current program processes and procedures.
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19 **Purpose for the Proposed Rule**

20 The purpose for this proposed rule is to implement SB 770 which amended Texas Labor Code,
21 §309.002(a) to redefine individuals who are eligible for the job training programs provided under the
22 SSF. SB 770 changed the requirements for participants of the grant program; therefore, an
23 administrative rule change is necessary to reflect the change.
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25 **Rule Revisions Required by Federal Regulation or State Statute**

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27 **Issue #1: Implementing SB 770**

28 The eligibility requirements for the SSF program will need to be updated to include individuals who are
29 identified by the Commission as being low-income or at risk of becoming dependent on public
30 assistance benefits. Amendments to §§835.1, 835.2, and 835.11 will update the eligibility requirements
31 for the SSF program.
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33 **Issue #2: Defining "Low-Income"**

34 SB 770 amended Texas Labor Code, §309.004, to provide the Commission with the authority to adopt
35 rules to identify individuals who are low-income or at risk of becoming dependent on public assistance
36 benefits and which of those individuals are eligible to participate in the SSF program Staff identified the
37 need to define "low-income" and include the federal Temporary Assistance for Needy Families (TANF)
38 eligibility requirements to define low-income to verify a participant's status. The federal TANF
39 requirements define "low-income" as an individual whose family receives any one of the following:
40 TANF benefits; Supplemental Nutrition Assistance Program (SNAP) benefits; Children's Health
41 Insurance Program (CHIP) benefits; subsidized child care through the Child Care and Development
42 Fund (CCDF); eligible for or receives subsidized public housing assistance; participates in the US
43 Department of Agriculture Food and Nutrition Service's Special Supplemental Nutrition Program for
44 Women, Infants and Children (WIC) program; free or reduced-cost school lunch based on income;
45 eligible for, or enrolled in, Workforce Innovation and Opportunity Act youth services; or family income
46 is 200 percent of or below the US Department of Health and Human Services' Poverty Guidelines or the
47 US Department of Labor's Lower Living Standard Income Level.

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Other Rule Revisions

Issue #3: Rule Review of Chapter 835

Texas Government Code, §2001.039 requires that every four years each state agency review and consider for readoption, revision, or repeal each rule adopted by that agency. Staff will review the rules in their entirety to ensure the rules align with the SSF program.

PC Decision Point

Staff seeks direction on:

- amending Chapter 835 to implement SB 770;
- amending Chapter 835 to define "low-income"; and
- reviewing Chapter 835 to ensure the rules align with the SSF program.