

Part XX. Texas Workforce Commission  
Chapter 800. General Administration  
Subchapter B. Allocation and Funding  
40 TAC §800.61

The Texas Workforce Commission (Commission) proposes new §800.61, relating to the Welfare to Work program.

Section 800.61 explains the allocation formula for the Welfare to Work program. The Balanced Budget Act of 1997 authorized the U.S. Department of Labor (DOL) to provide Welfare- to-Work (WtW) Formula Grants to states and local communities to create additional job opportunities for hard-to-employ recipients of Temporary Assistance for Needy Families (TANF). These grants will provide many welfare recipients with job placement services, transitional employment, and other support services which they need to make the successful progression into long-term unsubsidized employment. The State Welfare to Work plan is an addendum to the State's TANF plan. Under the WtW Formula Grant Program, Texas will allocate 85 percent of its funding from DOL to the Boards. If a Local Workforce Development Area does not have a certified Board, the funds for that area will be allocated to the PIC for that area. Federal law requires that the allocation of funding to Boards be based on a formula in which allocation of at least half of the funds is based on the relative percentage of the Local Workforce Development Area's (LWDA) residents who are poor, i.e. the number of poor individuals living in the area in excess of 7.5 percent of the total population of the area. Not more than half of the funds may be distributed based on one or both of two additional factors: (1) the number of adults in the LWDA receiving TANF for 30 months or more (long-term TANF factor), and/or (2) the number of unemployed individuals in the LWDA (unemployment factor).

The Commission proposes that the WtW Formula Grant funds be allocated to the LWDAs based upon the poverty factor and the long-term TANF factor. This formula provides the maximum emphasis permitted under the law on those whom the program is targeted to serve--hard-to-employ TANF recipients.

Randy Townsend, Director of Finance, has determined that for each year of the first five years the rule as proposed will be in effect, there will be no fiscal implications for state or local government as a result of enforcing or administering the rule.

Mike Sheridan, Executive Director of the Commission, has determined that the public benefit anticipated as a result of the rule as proposed will be the allocation of funds to assist hard-to-employ welfare recipients living in high poverty areas transition into unsubsidized employment and economic self-sufficiency. There is no cost to small businesses to comply with the new rule as proposed. There is no economic cost to persons required to comply with the rule. Mark Hughes, Director of Labor Market Information, has determined that there is no significant negative impact upon employment conditions in this state as a result of this proposed rule.

Comments on the proposed rule may be submitted to Larry Temple, Welfare Reform Division, Texas Workforce Commission, 101 East 15th Street, Room 440T, Austin, Texas 78778; Fax Number 512-463- 7379; or E-mail to [larry.temple@twc.state.tx.us](mailto:larry.temple@twc.state.tx.us).

Comments must be received by the Commission no later than thirty (30) days from the date this proposal is published in the Texas Register.

The rule is proposed under Texas Labor Code §301.061 which provides the Texas Workforce Commission with the authority to adopt, amend, or repeal such rules as it deems necessary for the effective administration of Texas Workforce Commission programs.

The proposal affects the Texas Labor Code, Title 4.

<nl>§800.61. Welfare to Work Program.

(a) At least eighty-five percent (85%) of the federal funds available to the

Texas Workforce Commission (Commission) for the Welfare to Work program will be allocated by the Commission to the workforce areas according to the formula, as follows:

(1) fifty percent (50%) of these federal funds will be allocated based on the relative number by which the population in the area below poverty exceeds 7.5 percent of the total population (referred to as the poverty factor), and  
(2) fifty percent (50%) of these federal funds will be allocated based on the relative number of adults residing in the areas receiving assistance under TANF or the predecessor program for at least 30 months (referred to as the long-term TANF factor.)

(b) Notwithstanding the allocation formula in (a) above, of the funds allocated, no more funds may be disbursed than the total for which match is recorded, documented, or certified by the state.

(c) At least 85% of any unencumbered general revenue funds appropriated or otherwise made available to the Commission for the sole purpose of providing cash match for the Welfare to Work program shall be allocated based upon the same allocation formula as in (a) above.

(d) No more than ten percent (10%) of the funds expended as part of a workforce area's allocation shall be used for administrative costs, as defined by the appropriate federal regulations and Commission policy.

(e) Subsections (a)-(c) of §800.51 of this chapter (relating to Allocation and Funding) do not apply to this section.

This agency hereby certifies that the proposal has been reviewed by legal counsel and found to be within the agency's legal authority to adopt.

Filed with the Office of the Secretary of State, on April 29, 1998.

TRD-9806035

J. Randel (Jerry) Hill

General Counsel

Texas Workforce Commission

Earliest possible date of adoption: June 14, 1998

For further information, please call: (512) 463-8812