

Evaluation of the Effectiveness of the Subsidized Child Care Program

Report to the 88th Texas Legislature, January 15, 2023

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Background

The Texas Workforce Commission (TWC) provides subsidized child care as a support service to help parents become and remain employed and contribute to the Texas economy. Making affordable child care available to parents addresses a common barrier to employment and enhances parents' ability to participate in workforce training activities. In order to receive subsidized child care, parents must be employed or participating in training or education activities that lead to employment. TWC also administers the Texas Rising Star program, a quality-based rating system for Texas early childhood programs participating in TWC's subsidized child care program. Texas Rising Star offers three levels of certification (Two-Star, Three-Star, and Four-Star) to encourage child care programs to attain progressively higher certification requirements, eventually leading to a Four-Star status.

Child Care Services (CCS) are funded through the federal Child Care and Development Fund (CCDF), which is overseen by the US Department of Health and Human Services' (HHS) Office of Child Care. TWC is the lead agency for CCDF in Texas. TWC's CCS program promotes long-term self-sufficiency by enabling parents to work or attend education or training activities.

Additional state agencies also play a role in the child care delivery system. The Texas Health and Human Services Commission (HHSC) protects the health, safety, and well-being of children in care by regulating all child care operations. HHSC is responsible for licensing and registering providers, monitoring and following up to ensure that providers comply with requirements, and investigating potential violations. TWC works closely with the Texas Education Agency (TEA) and the Children's Learning Institute (CLI) at the University of Texas Health Science Center at Houston to coordinate early childhood education (ECE) professional development and prekindergarten (pre-K) services. TWC also collaborates with the Texas Department of Family and Protective Services (DFPS) to provide CCS to children in foster care or in the custody of Child Protective Services.

Summary

Subsidized Child Care Continues to Serve as an Important Work Support Service

Subsidized child care is a support service that allows parents to become and remain employed and thereby contribute to the Texas economy. This report demonstrates that subsidized child care is an effective work support service that enables parents to participate in the workforce or in work-related activities.

As reflected in this report, in 2020, approximately 76 percent of parents receiving Temporary Assistance for Needy Families (TANF) found employment within 12 months of receiving child care. Additionally, approximately 81 percent of non-TANF parents maintained employment 12 months after receiving child care and, at the end of the 12-month period, experienced an average quarterly wage gain of \$1,930 (\$7,720 annually). The availability of stable and affordable child care is often a determining factor in a parent's ability to obtain and retain employment.

TWC's Child Care Program Increases the Availability of High-Quality Programs for All Families

High-quality child care also supports the Texas economy by promoting the healthy growth and development of tomorrow's workforce. Since 2015, the number of programs certified by Texas Rising

Star has increased 56 percent. These programs benefit both the children receiving subsidies and the children from private-pay families. As of September 2022, Texas Rising Star programs had the licensed capacity to serve 232,224 children. TWC strives to build upon its successes by using outcome data and analyses to improve the delivery of child care services to Texas' working families.

Report Requirements

Parent Employment and Wage Outcomes

Texas Labor Code §302.0043 requires that TWC “evaluate the effectiveness of the commission’s child care program in helping parents who receive subsidized child care to maintain employment . . .” TWC must report the results of the evaluation to the legislature no later than January 15 of each odd-numbered year.

Section 302.0043(a) directs TWC to compile the following information regarding the wage and employment status of each parent receiving TWC-funded child care:

- If the parent receives both TANF and subsidized child care, TWC must record whether the parent:
 - finds employment; and
 - maintains the employment after one year.
- If the parent receives only subsidized child care, TWC must record whether the parent:
 - maintains the employment; and
 - experiences a change in earnings after one year of employment.
- If the parent leaves the child care program, TWC must record:
 - the parent’s reason for leaving the program; and
 - whether the parent re-enrolls to receive TANF or becomes a TANF recipient for the first time.

Section 302.0043(f) states that TWC’s reports regarding the effectiveness of the child care program must:

- include information on employment results, disaggregated by the local workforce development area (workforce area); and
- identify multiyear trends in the information collected and analyzed by TWC, including trends in information on the five state fiscal years preceding the date of the report.

Improving Quality

Section 302.0043 also requires TWC to measure its child care program’s effectiveness in improving the training of child care professionals and in facilitating collaboration with Head Start, TEA, DFPS, and HHSC.

Section 302.0043(c-1) further requires that TWC report the progress of the child care program regarding:

- the coordination between TWC and TEA to assign a Public Education Information Management System (PEIMS) number to children younger than six years of age who are enrolled in the program;
- the coordination among TEA, school districts, and open enrollment charter schools on any pre-K quality improvement efforts;
- the efforts to increase coordination among providers participating in the program, school districts, and open enrollment charter schools;
- the facilitation of child care provider enrollment in the Texas Rising Star program and the progression of providers to that program’s highest rating level; and
- the development and implementation of rates and payments, as determined by Local Workforce Development Boards (Boards), to:
 - allow providers to deliver high-quality child care; and
 - ensure that TWC meets performance measures established by the legislature for the average number of children served per day by the program.

Additionally, §302.0042 requires TWC to report the data related to the evaluation of allocation formulas for CCDF funds, such as:

- the total number of child care providers participating in the Texas Rising Star program in each workforce area and the number of Two-Star–, Three-Star–, and Four-Star–certified child care providers in each workforce area;
- the number of child care providers participating in the Texas Rising Star program in each workforce area as a percentage of the total number of both subsidized child care providers and all child care providers in the workforce area;
- the number of Two-Star–, Three-Star–, and Four-Star–certified child care providers in the workforce area as a percentage of the total number of both subsidized child care providers and all child care providers in the workforce area;
- the total number of children enrolled in subsidized child care providers participating in the Texas Rising Star program in each workforce area and the number of subsidized children enrolled in Two-Star–, Three-Star–, and Four-Star–certified child care providers in the workforce area; and
- the number of subsidized children enrolled in child care providers participating in the Texas Rising Star program in each workforce area as a percentage of the total number of subsidized children enrolled in child care providers in the workforce area and the number of subsidized children enrolled in Two-Star–, Three-Star–, and Four-Star–certified child care providers in the workforce area as a percentage of the total number of subsidized children enrolled in child care providers in the workforce area.

Stakeholder Input

Finally, §302.0043 requires TWC to summarize input obtained under §302.00435 from TEA, school districts, open enrollment charter schools, subsidized child care providers, relevant businesses, and the public on the child care program and any recommendations for legislation or regulation, including regulatory recommendations for governmental bodies other than TWC.

Employment and Wage Outcomes

Definitions

For this report, TWC used wage and employment records to determine the parent's employment status.

Finding Employment—A parent is considered to have found employment if the parent became employed at any time during the four quarters following the quarter that the child entered child care that year.

Leaving Child Care—A child is considered to have left child care if the child does not receive child care for one month during the year.

Maintaining Employment—A parent is considered to have maintained employment if the parent has wages in the fourth quarter after the quarter that the child entered child care that year.

Receiving both TANF and Subsidized Child Care—A parent is considered to be receiving both TANF and subsidized child care if the parent received both in the same month at some point during the year.

Receiving Only Subsidized Child Care (non-TANF)—A parent is considered to be receiving only subsidized child care if the parent did not receive TANF during the year.

Receiving Subsidized Child Care—A parent is considered to be receiving subsidized child care if the parent's child received at least one billed unit of care during a calendar year. Parents may appear in one or multiple years.

Returning to TANF or Receiving TANF for the First Time—A parent is considered to have returned to TANF or received TANF for the first time if the parent leaves subsidized child care and received TANF within a 12-month period.

Wage Gain—The wage gain is the amount that the parent's income increased after the parent became employed in the fourth quarter after the quarter that the child entered child care compared to the quarter before the child entered child care for each year.

Findings

TANF Parents

Subsidized child care is available to help parents who are receiving TANF to participate in workforce training and work-related activities offered through TWC's Choices program. For parents receiving both TANF and TWC-subsidized child care, Texas Labor Code §302.0043(a)(1) directs TWC to report whether the parent:

- finds employment; and
- maintains the employment after one year.

The five-year statewide trends are shown in Table 1, below.

Table 1—Parents Receiving TANF and Child Care

Year	Percentage Finding Employment in the Year	Percentage Maintaining Employment after One Year
2016	84.22%	60.10%
2017	85.92%	64.02%
2018	86.06%	65.23%
2019	83.17%	59.11%
2020	76.28%	55.24%

The five-year trends by workforce areas are shown in Tables 1A and 1B in the Appendix.

Non-TANF Parents

Subsidized child care also provides a vital work support that helps non-TANF low-income working parents to remain in the Texas workforce. For non-TANF working parents receiving TWC-subsidized child care, §302.0043(a)(2) directs TWC to report whether the parent:

- maintains the employment; and
- experiences a change in earnings after one year of employment.

The five-year statewide trends are shown in Table 2, below.

Table 2—Working Parents Only Receiving Child Care (Non-TANF)

Year	Percentage Maintaining Employment after One Year	Quarterly Change in Earnings after One Year
2016	86.20%	\$ 805.71
2017	86.21%	\$ 603.01
2018	86.41%	\$1,044.56
2019	84.65%	\$1,031.82
2020	80.80%	\$1,929.91

The five-year trends by workforce areas are shown in Tables 2A and 2B in the Appendix.

Parents Leaving Child Care

Texas Labor Code §302.0043(a)(3) directs TWC to report:

- the parent’s reason for leaving the program; and
- whether the parent returns to TANF or becomes a TANF recipient for the first time.

From October 1, 2021, through September 30, 2022, a total of 42,839 children left TWC-subsidized child care for at least one month during the year. The reasons for leaving care are shown in Table 3A, below.

Table 3A–Reason for Leaving Child Care

Reason for Leaving Child Care	% of Children
Parent Missed Redetermination and/or Did Not Return Paperwork	43.16%
Parent Voluntarily Withdrew from Child Care	23.87%
Family Is No Longer Eligible	25.09%
Excessive Absences	.87%
Permanent End of Activities after Three-Month Job Search	5.95%
Other	2.06%

The five-year statewide trends for all parents whose children left TWC-subsidized child care and received TANF within 12 months of their children leaving care are shown in Table 3B, below.

Table 3B–Parents Receiving TANF within One Year of Leaving Child Care

Year	Percentage Receiving TANF after Leaving Child Care
2016	19.14%
2017	12.52%
2018	13.07%
2019	10.14%
2020	5.57%

The five-year trends by workforce areas are shown in Table 3C in the Appendix.

Improving Quality

Texas Labor Code §302.0043 also requires TWC to evaluate the effectiveness of its child care program in improving the training of child care professionals, including professional development collaboration with other agencies that serve young children. TWC actively participates in multiple workgroups and projects that bring state and local partners together to increase collaboration and streamline professional development activities across programs and funding streams.

Coordination with TEA to Assign PEIMS Numbers

Texas Labor Code §302.0043 requires TWC to coordinate with TEA to assign unique PEIMS numbers to children younger than age six who are enrolled in the child care subsidy program. This will allow for a longitudinal analysis of information on children who receive subsidies by bridging their participation in early childhood programs to their participation in public education. TWC collaborated with TEA to develop an automated interface and began assigning PEIMS numbers to children under age six who were enrolled in subsidized child care on September 1, 2020. As of November 2022, a total of 217,539 children participating in the CCS program have a PEIMS number in both TWC and TEA data systems.

School Readiness Partnerships with TEA

Prekindergarten–Child Care Partnerships

TWC received increased Child Care and Development Block Grant (CCDBG) funding through several COVID-19–related pieces of legislation. On November 2, 2021, TWC’s three-member Commission (Commission) approved a portion of these funds (\$26 million) to support the expansion of pre-K partnerships in Texas. Pre-K partnerships are an important strategy to improve school readiness and to better support the needs of working families. A pre-K partnership is a collaboration between a local education agency (LEA), such as a school district or open enrollment charter school, and a quality-rated child care program to provide high-quality care and education to eligible three- and four-year-old children. In a pre-K partnership, eligible children may be dually enrolled in public school pre-K and TWC’s CCS program, most often receiving their pre-K instruction and wraparound care (the hours before and after pre-K instruction) at the child care center.

Building on the TWC and TEA’s 2021 Pre-K Partnership Summit, and the best practices and lessons learned through the Regional Early Childhood Support Specialists (RECESS) Initiative 3 grant, TWC is supporting the expansion of pre-K partnerships using two strategies. These complementary strategies involve the TWC Pre-K Partnership Team and the Texas A&M University System (TAMUS) Intermediary Hub.

First, TWC’s Child Care & Early Learning Division hired two state-level staff members and 25 local pre-K partnership staff members (5 regional supervisors and 20 pre-K partnership specialists) to support the expansion of pre-K partnerships in Texas Rising Star Three- and Four-Star–certified programs. TWC’s pre-K partnership staff members work to generate interest in partnerships and increase the number of child care programs and LEAs in formal pre-K partnerships. Specific activities of TWC’s pre-K partnership team include identifying potential partners and informing them of the opportunity to partner, facilitating discussions between potential partners, developing partnership models that best support the unique needs of each community, providing support during partnership development, and coordinating efforts with stakeholders, such as Boards and education service centers.

TWC is providing eligible child care programs awards of up to \$20,000 for each new partnership classroom in order to help with the initial costs of implementing a pre-K partnership classroom, including teacher compensation, curriculum, furniture, equipment, and training materials. TWC allocated funds to support up to 500 partnership classrooms. TWC will also provide up to 100 eligible teachers in pre-K partnership classrooms with a scholarship of up to \$7,000 to assist with the costs associated with receiving their alternative teacher certification through the TEA-approved Educator Preparation Program. Finally, TWC dedicated \$250,000 to help a third-party evaluator assess the efficacy of the TWC Pre-K Partnership expansion initiative and to inform future strategies.

Second, on April 19, 2022, the Commission approved an additional allocation of CCDBG funds (\$2.4 million) for a partnership intermediary hub model piloted by TEA in collaboration with TAMUS. This strategy will complement the efforts of the TWC Pre-K Partnership Team by providing additional options in areas that are difficult to facilitate partnerships and by reducing the administrative burden on entities already in partnerships.

A partnership intermediary is a third-party organization that helps to establish partnerships between LEAs and child care programs and provide administrative support to partnered entities. In this model, TAMUS will accept pass-through funding from one or more LEAs to partner directly with child care programs in areas where the LEA is unwilling or unable to partner. TAMUS will also assist entities partnered through the intermediary hub with contract development, data reporting, and quality improvement efforts. Furthermore, the TAMUS Intermediary Hub will recommend pass-through funding rates or formulas for TWC’s consideration and establish communities of practice so other state entities serving as partnership intermediaries may share knowledge and troubleshoot challenges.

Texas School Ready

The Texas legislature requires TWC to transfer \$11.7 million of federal CCDF funds to TEA in each year of the biennium in order to help providers that are participating in integrated school readiness models developed by CLI.

CLI uses these funds to support the Texas School Ready (TSR) project, which combines ongoing professional development, supplemental curriculums, and child progress monitoring tools. Teachers from child care centers, Head Start, and public-school pre-K programs participate in TSR. Teachers are provided with tools to help them address the specific instructional needs of the children in their classrooms using targeted, engaging lessons and activities. These tools are made available at no cost to teachers, including Texas Rising Star teachers, through the online platform CLI Engage. The tools include the CIRCLE Progress Monitoring System, eCIRCLE Professional Development courses, the CIRCLE Activity Collection, and classroom observation tools. These supports are reported via the [TSR Annual Report](#).

Professional Development Initiatives

Professional Development for Early Childhood Education (Scholarships)

Rider 27 of the General Appropriations Act (GAA) for the 87th Texas Legislature, Regular Session (2021), required TWC to dedicate \$1.5 million over the 2022–2023 fiscal biennium for scholarship programs that encourage increased participation in continuing professional development for early childhood professionals. Funding may be used to finance teacher training programs, programs that lead to a national ECE credential, or work-study programs in child care.

TWC has awarded these funds through a competitive procurement process, consistently selecting the Texas Association for the Education of Young Children (TXAEYC) Teacher Education and Compensation Helps (T.E.A.C.H.) program. The T.E.A.C.H. program provides scholarships for child care professionals who want to obtain a Child Development Associate (CDA) certificate or a Certified Childcare Professional credential. TXAEYC also uses the funds to provide scholarships to help child care professionals pursue courses that will lead to an associate’s or bachelor’s degree in ECE. Since 2020, TWC has also supported scholarships for Child Care Registered Apprenticeships.

Professional development scholarships help educators achieve progressive educational and career advancement by attaining stackable credentials. Additionally, the scholarship program assists eligible early learning programs in retaining well-qualified staff and meeting Texas Rising Star staff qualifications.

From Fiscal Year 2016 (FY'16) through FY'22, the Professional Development for Early Childhood Educators program awarded scholarships for 1,023 CDA assessment fees, 662 associate's degrees, 73 bachelor's degrees, and 67 apprenticeships. Additionally, recipients who attained a CDA or associate's degree experienced increased wages, with an average increase for recipients in FY'22 of 7 percent.

Professional Development for Early Childhood Education (Partnerships)

Rider 23 of the GAA for the 87th Texas Legislature, Regular Session (2021), required TWC to transfer \$500,000 in federal CCDF funds to TEA during FY'22 and FY'23 for ECE partnership projects and teacher stipends designed to:

- facilitate increased participation in professional development by ECE professionals; and
- encourage those professionals to seek additional education.

Professional development partnerships support early childhood trainers and coaches to help deliver the highest-quality instruction to early childhood educators. The partnerships provide extensive in-person and online training workshops, a micro-credential, and facilitated professional learning communities for trainers and coaches who provide professional development to ECE and care providers. Multiple coaching workshops provide professional development directly to instructional coaches and teacher leaders.

In FY'22:

- 100 ECE professionals attended advanced coaching and training workshops;
- Six trainers and coaches received a coaching micro-credential; and
- 621 teachers participated in other professional development activities.

Texas Rising Star Early Educator Conferences

Each summer TWC hosts the Texas Rising Star Early Educator Conference, which is tailored to meet the needs of early childhood educators and child care administrative staff. Attendees include child care staff, administrators, and facility owners. Goals of the conference include the following:

- Support the increased professional development needs of early learning professionals
- Equip child care programs with information, tools, and resources
- Improve the quality of children's early care and education experiences

The 2022 Summit offered 61 different training sessions to 714 attendees from 457 Texas Rising Star child care programs.

Child Care Business Training

The Child Care Business Accelerator is a multiphase program that offers self-paced online courses (developed by Texas A&M University's Bush School of Government and Public Policy's Center for Nonprofits and Philanthropy), virtual think tanks, in-person summits, and resources to providers across Texas. It is intended to enable child care providers to stabilize their business operations so they can dedicate more time to improving the quality of early learning. As of September 2022, more than 4,900 child care business owners and directors have participated in the program.

Infant-Toddler Specialist Network

In March 2020, TWC awarded \$3 million to the University of Texas Health Science Center at Houston to establish the statewide Infant-Toddler Specialist Network (ITSN). This network provides teachers and administrators of 1,842 infant and toddler programs with professional development, technical support, and opportunities to participate in professional learning communities (PLCs) through 64 certified specialists. This helps enhance the quality of care provided to infants and toddlers across the state and elevate the skills and competencies of participating teachers and administrators. For more information, refer to the [ITSN](#) website.

Staff Retention (Director/Owner Leadership Skills)

In August 2020, TWC awarded approximately \$2 million between two grantees, Raising Austin and Start Early, to collaborate on efforts and implement evidence-based strategies shown to create supportive work environments and improve retention of child care staff through supports such as:

- professional development programs that focus on providing adaptive leadership skills training;
- access to PLCs and referrals to local resources; and
- initiatives that promote reflective pedagogical supervision, coaching, and development opportunities.

The adaptive leadership skills training has increased director and owner capacity as administrators of small businesses and provided tools and resources to support their business and the retention of critically needed staff. As of September 2022, 334 participants have completed the training (182 with Start Early and 152 with Raising Austin).

Family Child Care Networks

Beginning in March 2020, the United Way of Denton County and AVANCE were awarded grants totaling approximately \$400,000 annually to develop staffed Family Child Care Networks that provide professional development, specialized services, and technical assistance in order to address the business and program management needs of home-based family providers. In 2022, Family Child Care Networks served almost 100 home-based child care providers in the North Texas and Coastal Bend workforce areas. These efforts help increase the availability and quality of family child care.

Planning for Individualized Instruction

Through a competitive procurement process in 2018, TWC selected TXAEYC in collaboration with Teaching Strategies to implement a statewide early childhood assessment project. At no cost to providers that serve subsidized children, Teaching Strategies provides GOLD[®], an observation-based assessment system that enables early childhood caregivers to assess the development and learning of children from birth to five years of age. In FY'22, Teaching Strategies trained 800 early childhood educators and 307 child care providers to use the assessment tools, gather and report data, and use the data to offer individualized care and instruction to more than 7,000 children.

Texas Early Childhood Professional Development System

TECPDS supports early childhood professionals by providing them with resources and tools to help meet their professional development needs. In FY'21 and FY'22, TWC continued to focus on increasing the use of the TECPDS Workforce Registry (TWR) by child care professionals working for currently certified Texas Rising Star providers and applicants. The Commission also approved funding to make

enhancements to and increase support of the TWR as House Bill (HB) 2607, 87th Texas Legislature, Regular Session (2021), and mandatory Texas Rising Star participation are implemented. The number of users registered in the TWR increased from 46,528 in 2021 to 72,373 in 2022.

Addressing Challenging Behaviors Training

The Addressing Challenging Behaviors initiative provides training to early childhood professionals to help them in developing positive early learning environments and in effectively addressing challenging behaviors of young children. Since September 2020, 536 programs and 1,104 child care professionals have been trained.

Early Childhood Intervention and Child Care Partnership

HHSC oversees the Early Childhood Intervention (ECI) program, which serves children from birth to 36 months with a developmental delay or disability. ECI contracts with community-based providers that work with the children and families where they are, which could include in the home or in a child care center. In 2022, TWC directed COVID-19 stimulus funds to ECI in order to support the training of child care providers, Texas Rising Star mentors, and infant-toddler specialists on developmental screening, Child Find, and how to work with local ECI providers to jointly serve eligible children.

AgriLife Trainings

In 2022, TWC dedicated COVID-19 stimulus funding for Texas A&M University's AgriLife Extension to create and provide free online training to Texas child care providers. The Texas Annual Training Suite offers up to 20 clock hours of training via 12 online courses to support early childhood educators in meeting required Child Care Regulation's (CCR) minimum standards. A total of 178,468 participants have accessed at least one of the Texas Annual Training Suite courses. Additionally, the Child Care Business Training courses were linked to AgriLife Extension, and approximately 2,600 early childhood educators have completed those courses.

Skills for Small Business

Child care programs with fewer than 100 employees may apply to the TWC Skills for Small Business program to participate in training opportunities offered by their local community or technical college. These trainings help to enhance a child care programs' business operations by upgrading their new and current employees' skills. Using COVID-19 stimulus funds, TWC has made \$1 million available for child care businesses. As of FY'22, 11 colleges are participating, and eight participants have earned a total of 32 hours.

Registered Apprenticeship Programs

In April 2022, using COVID-19 stimulus funds, TWC awarded three grants totaling approximately \$800,000 to plan the expansion or creation of a child care Registered Apprenticeship Program (RAP). The grantees—Camp Fire First Texas, Dallas College, and Workforce Solutions for the Heart of Texas—have approximately one year to plan and register their program with the US Department of Labor. The grantees are designing programs that will help early childhood educators obtain, at a minimum, a CDA credential. RAP is a career pathway that combines on-the-job learning with related educational instruction in which the apprentices are full-time employees earning a paycheck from their first day on the job. TWC is awarding a second round of one-year Child Care Apprenticeship grants to support either the planning or implementation of a child care RAP.

Local Quality Improvement Activities

Section 2308.317(c) requires that each Board use at least 2 percent of the Board's yearly allocation for quality child care initiatives. Additionally, a Board may use money available from other public or private sources for quality child care initiatives.

Local Match

Boards leverage local public expenditures in the workforce areas to draw down federal CCDF matching funds. Boards work with public institutions of higher education, independent school districts (ISD), and local governments to certify local public expenditures for direct child care services to low-income families and for child care quality improvement activities. To meet the child care needs in workforce areas, Boards use the federal CCDF matching funds that result from the public certifications to increase direct child care services to CCDF-eligible families. The funds are also used to expand quality improvement activities in the workforce areas. In Board Contract Year 2021 (BCY'21), Boards entered into 141 total agreements for approximately \$46.1 million in local match, which drew down \$82.7 million in federal CCDF. In BCY'22, Boards entered into 142 total agreements for approximately \$43.8 million in local match, drawing down \$82.7 million in federal CCDF.

In BCY'21, Boards entered into 54 local match agreements with colleges and universities. Through these agreements, colleges and universities certified approximately \$14.5 million each year in child care and early education professional development expenses to draw down approximately \$29.2 million in BCY'21 federal CCDF matching funds.

In BCY'22, Boards entered into 57 local match agreements with colleges and universities. Through these agreements, colleges and universities certified approximately \$14.7 million each year in child care and early education professional development expenses to draw down approximately \$29.5 in federal CCDF matching funds.

Although Boards used most of the resulting federal matching funds to subsidize direct child care services, resulting federal funds were also used for quality improvement activities, including professional development and training for child care professionals.

Boards work closely with local ISDs and education service centers to leverage local funds for child care services. In BCY'21, Boards entered into 56 local agreements in which ISDs contributed approximately \$15.7 million in local child care funds, drawing down \$31.5 million in federal CCDF funds. In BCY'22, Boards entered into 55 local agreements in which ISDs contributed approximately \$13.1 million in local child care funds, drawing down \$26.3 million in federal funds. Boards use the federal matching funds for direct child care services or child care quality improvement activities. A significant percentage of the federal funds is used to provide before- and after-school child care for children in the local ISDs.

Boards also work closely with local governmental entities and community-based organizations (CBO) to leverage local funds. Boards entered into 31 agreements with local governments and CBOs to certify approximately \$15.9 million in local funds for child care services in BCY'21 and 30 agreements in BCY'22 to certify \$16.0 million in local funds. These local funds drew down approximately \$31.9 million federal funds in BCY'22 and \$32.1 million in BCY'22 to provide child care services and quality improvement activities in the workforce areas.

Local Quality Initiatives

Texas Government Code §2308.317(c) requires each Board to use at least 2 percent of its yearly child care allocation for quality initiatives. Boards must give priority to initiatives that benefit child care facilities that are working toward Texas Rising Star certification or are Texas Rising Star–certified providers working toward a higher certification level. Board quality initiatives include the following types of activities:

- Supporting the training and professional development of the child care workforce
- Implementing Texas Prekindergarten Guidelines and Infant and Toddler Early Learning Guidelines
- Implementing the Texas Rising Star program
- Improving the supply and quality of infant and toddler care
- Facilitating compliance with CCR minimum standards for health and safety
- Evaluation or assessment activities
- Supporting providers in pursuit of national accreditation
- Other activities that improve provider preparedness, child safety, child well-being, and/or school readiness.

Section 2308.317(e) also requires that each Board, to the extent practicable, ensures that professional development funds for child care providers, directors, and employees:

- be used toward requirements for a credential, certification, or degree program; and
- meet the professional development requirements of the Texas Rising Star program.

In FY'22, Boards expended approximately \$5.6 million on professional development activities, including the following:

- Providing training to child care teachers and administrators: 31,1771 participants
- 1,292 locally funded scholarships for CDA classes and college degrees
- Financial assistance for 540 individuals to complete other professional development activities

Texas Rising Star

Four-Year Review Revisions

Every four years, TWC conducts a comprehensive review of the Texas Rising Star program. TWC's most recent review was completed in 2020, and implementation of new program requirements took place in 2021.

Texas Rising Star Staff Credentialing

In 2021, TWC implemented new requirements for Texas Rising Star assessors. To consistently and objectively evaluate a program's level of quality, assessors must successfully complete the Texas Rising Star Assessor Training and Certification Program to demonstrate mastery of the Texas Rising Star certification criteria. Additionally, assessors must demonstrate their ongoing mastery of the criteria and their ability to reliably assess program quality through participation in quarterly reliability checks.

In 2021, TWC also implemented new requirements for Texas Rising Star mentors. To provide high-quality technical assistance and coaching support to programs, mentors must complete the Texas Rising Star Certification course training components and pursue TWC-required coaching micro-credential badges.

Expansion and Enhancement of the Texas Early Childhood Professional Development System

In FY'21, TWC provided \$300,000 to support TECPDS and the Texas Workforce Registry (TWR). TWR is a web-based system in which ECE professionals who work with children from birth to age eight can store and access their education and employment history as well as their completed professional development hours. TWR is administered by CLI and is open to all Texas ECE professionals. Texas began the statewide rollout of TWR in 2019, and in 2021, it was required for all Texas Rising Star–certified programs to have at minimum a center director account, leading to an increase of more than 1,200 new director accounts. Currently, 72,373 practitioners and 4,437 directors use the registry in some capacity. A total of 9,156 of those practitioners and 1,460 of those directors work within a Texas Rising Star program. TWC continues to encourage Texas Rising Star–certified program staff to use TWR.

Continuous Quality Improvement Plans

One of the key changes that was implemented as a result of the Texas Rising Star Four-Year Review was the development of a framework for continuous quality improvement (CQI) in child care programs. CQI provides a systemic and intentional process for improving quality in child care and early learning programs and increasing positive outcomes for children. Texas Rising Star–certified programs and applicants work closely with a Texas Rising Star mentor to engage in a cyclical process that includes self-reflection, continuous learning, practice, and evaluation. A documented plan, or, continuous quality improvement plan (CQIP), may help a program attain certification, achieve increasingly higher levels of quality, sustain high quality over time, and ensure high quality across classrooms and age groups.

HB 2607 Implementation

House Bill (HB) 2607, 87th Texas Legislature, Regular Session (2021), amended Texas Government Code §2308.3155 to require that all regulated providers of TWC-funded CCS participate in the Texas Rising Star program. HB 2607 also required the creation of a new Entry Level designation and a maximum length of time that a child care program may participate at the Entry Level designation. Effective October 3, 2022, TWC implemented Entry Level designation for the 4,476 CCS providers that were not currently Texas Rising Star–certified and granted them 24 months to achieve at least a Two-Star certification.

Texas Rising Star Program Growth

The number of Texas Rising Star–certified programs has increased steadily over the past several years. As of September 2022, 2,008 child care and early learning programs participated in Texas Rising Star, representing a 56 percent increase since 2015. Texas Rising Star programs now comprise approximately 31 percent of all programs with agreements to accept subsidized children.

Year (as of September)	TRS Providers	Non-TRS Providers	Total Providers	Percentage TRS
2017	1,383	6,591	7,974	17.3%
2018	1,558	6,201	7,759	20.1%
2019	1,884	5,898	7,782	24.2%
2020	2,106	5,719	7,825	26.9%
2021	1,806	4,253	6,059	29.8%
2022	2,008	4,476	6,484	31.0%

Payment Rates to Encourage Participation

In FY'21 and FY'22, TWC increased provider reimbursement rates, including enhanced rates for Texas Rising Star–certified providers. In FY'22, the Commission established a minimum threshold requiring Boards to set their base maximum reimbursement rates at or above the 30th percentile of the most recent Market Rate Survey. The Commission has approved increasing this minimum threshold to the 75th percentile for FY'23. Benchmarking maximum reimbursement rates helps incent participation in the subsidy program and supports providers in achieving Texas Rising Star certification.

In accordance with §2308.315, Texas Rising Star enhanced reimbursement rates remain at a level at least 5, 7, or 9 percent higher than base rates for Two-Star–, Three-Star–, and Four-Star–certified providers, respectively. These tiered rates incent programs to achieve higher levels of quality.

Texas Rising Star Assessor and Mentor Funding

Texas Rising Star assessors are responsible for conducting on-site assessments of providers to determine compliance with Texas Rising Star standards. Texas Rising Star mentors provide technical assistance to providers that are working to become Texas Rising Star–certified and to Texas Rising Star providers working toward higher levels of certification.

Texas Government Code §2308.3155(c) requires TWC to provide funding to Boards for Texas Rising Star assessors and mentors. In both FY'21 and FY'22, TWC increased the funding made available to Boards for Texas Rising Star assessors and mentors, with \$10.5 million distributed in FY'21 (a 19 percent annual increase) and \$17 million distributed in FY'22 (a 62 percent annual increase). The increases have supported program growth and the implementation of HB 2607.

Continuous Quality Improvement Plan Tool

To support the child care programs in obtaining and maintaining Texas Rising Star certification, TWC worked with CLI to create an online CQIP tool within the Texas Rising Star assessment platform, CLI Engage, which was implemented in fall 2021. The tool allows mentors to input each child care program's individualized CQIP into Engage and support them in either obtaining, maintaining, or increasing their star level.

COVID-19 Stimulus-Funded Supports

TWC distributed \$30 million in COVID-19 stimulus funds to Boards in order to provide targeted support to incent increased and ongoing participation in Texas Rising Star.

Additionally, TWC approved an extra Child Care Relief Fund (CCRF) to be paid to current CCS programs. The additional payments, which will be delivered in summer 2023, will provide an additional incentive for providers to continue to participate in the subsidy program and Texas Rising Star.

Facilitating Collaboration

Texas Labor Code §302.0043 requires TWC to evaluate the effectiveness of its child care program in facilitating collaboration with Head Start, TEA, DFPS, and HHSC. TWC collaborates with these partner agencies and other child-serving organizations through a variety of interagency workgroups and shared projects.

Texas Early Learning Council

The Texas Early Learning Council (TELC), including representation from TWC, leveraged the Preschool Development Grant Birth through Five planning grant to conduct a statewide needs assessment and develop the Texas Early Learning Strategic Plan. TELC designed the plan as a framework for public and private action at state and local levels to achieve the group's vision that all Texas children be ready for school and ready to learn. The strategic plan includes goals for system, family, and child outcomes; strategies to meet these goals; and measurable targets to achieve by 2025. More information is available at [Early Childhood Texas](#).

TELC Data Workgroup

In April 2022, TELC formed the Data Roadmap Work Group to explore the potential development of an early childhood integrated data system (ECIDS) in Texas. The group will publish a roadmap in early 2023 with considerations and recommendations for next steps.

Early Childhood Interagency Team

To maximize the outcomes for Texas children and families, the state agencies established the Early Childhood Interagency Work Group and the position of the Interagency Deputy Director of Early Childhood Support in order to coordinate across agencies and streamline efforts. TWC participates in the Interagency Work Group, along with TEA, DFPS, Texas Department of State Health Services (DSHS), and HHSC.

Early Childhood Texas

The [Early Childhood Texas](#) website aims to provide families with young children easy access to Texas state agency programs, services, and resources. State agency partners include TWC, TEA, HHSC, DFPS, and DSHS. A team of staff members from each partnering agency has guided the development of this website with direct input from Texas parents and families. The website is managed by the interagency team and funded TWC.

Texas Head Start State Collaboration Office Advisory Board

The Texas Head Start State Collaboration Office (THSSCO) Advisory Board, which includes representation from TWC, supports the development and activities of the annual needs assessment and

strategic plan. THSSCO facilitates collaboration among Head Start agencies in the state and other organizations and state agencies that support low-income children and families.

Early Childhood Intervention Advisory Committee

TWC participates in the ECI Advisory Committee. The function of the advisory committee is to advise and assist HHSC in its operation of the statewide system of ECI services that are provided to eligible children and families in Texas.

TECPDS Advisory Council

TWC participates in the TECPDS Advisory Council. The function of the advisory council is to provide guidance and support to TECPDS regarding both the TECPDS Workforce and Trainer Registries, as well as reviewing Core Competencies and Career Pathways for the most up-to-date research and best practices in the ECE field.

Virtual Collaborative Symposiums

TWC's Child Care and Early Learning (CC&EL) Division and HHSC CCR Division began hosting the Virtual Collaborative Symposium in 2022. The purpose of these symposiums is to strengthen the collaboration between agencies to build high-quality child care throughout Texas. Board staff members and Texas Rising Star mentors and assessors, CCR inspectors and investigators, Texas pre-K partnerships staff, and other state agencies, such as Texas Department of Agriculture and TEA, are invited to attend. Since June 2022, CC&EL and CCR have hosted two symposiums with an average of 300 participants each.

Early Childhood Obesity Prevention Committee

The Early Childhood Obesity Prevention Committee is a DSHS initiative that facilitates improvement and implementation of nutrition and physical activity standards and practices in Texas child care settings. The initiative focuses on increasing awareness of child care policy, increasing Texas Rising Star and Child and Adult Care Food Program participation, increasing parent awareness about childhood obesity, providing trainings on obesity prevention professional development, and creating and disseminating a statewide self-assessment for obesity recognition.

OLE! Texas Workgroup

Outdoor Learning Environment (OLE! Texas) is a DSHS initiative to improve outdoor spaces at child care centers. The initiative calls for adding design elements (for example, looping pathways, vegetable gardens, and more play and learning settings) to enable children from birth to age five to be active, learn in nature, and develop motor skills. TWC participates as a subject matter expert for Texas Rising Star.

ECE Business Collaboratory

TWC is part of the Texas state team participating in First Children's Finance ECE Business Collaboratory. The Collaboratory is composed of 15 competitively selected teams focusing on ideas, innovations, and investment and implementation strategies for states working to strengthen their local child care systems. The Texas team includes representatives from TWC, CCR, Collaborative for Children, and Children at Risk. Other states included are Alaska, Colorado, Hawaii, Indiana, Louisiana, Maine, Maryland, Minnesota, Mississippi, Montana, Nebraska, Nevada, New York, South Carolina, and Washington, DC.

ECE-RISE–Nontraditional Hour Care Study

In March 2022, CCDF lead agencies became eligible to apply for free tailored supports to increase states' use of research and evidence-based decision-making through the Early Childhood Education–Receiving Individualized Capacity Building (ECE-RISE) initiative. ECE-RISE is an initiative of the Child Care Research and Evaluation Capacity Building Center and is funded by the Administration for Children and Families' Office of Planning, Research, and Evaluation and HHS. TWC was one of two lead agencies selected to receive technical assistance from Mathematica, a data analysis company, over an 18-month period. TWC is partnering with HHSC-CCR to develop research capacity in the state and complete a research study exploring unmet need for nontraditional hour child care in the state.

Stakeholder Input

On October 29, 2019, the Commission approved a policy outlining opportunities for child care stakeholders to provide TWC with input, which is summarized on the TWC [website](#).

Tri-Agency Workforce Initiative

Governor Abbott's charges to the Tri-Agency Workforce Initiative included direction for improvements to the state's subsidized child care programs that will increase kindergarten readiness and options for working parents. TWC solicited input from stakeholders across the state, with 230 responding. This input helped the Tri-Agency Workforce Initiative formulate recommended strategies to address these early childhood directives.

Texas Early Childhood Integrated Data System Focus Groups

In August 2022, TWC and a TELC workgroup administered a survey and conducted eight virtual listening sessions with a diverse group of stakeholders to gather input for the draft ECIDS Roadmap. This roadmap will identify policy questions that an ECIDS could help inform and will help to guide next steps, including identifying data for inclusion, if the state chooses to pursue an ECIDS interagency project.

Stakeholder-Led Engagement Activities

In addition to TWC-led activities to gather input from stakeholders, TWC is also regularly invited to hear feedback as part of stakeholder-led groups and projects. In FY'19 and FY'20, TWC gathered input through the Texas Prenatal-Three Collaborative, the Children at Risk's Early Childhood Education Coalition, and the United Way of Texas, as well as multiple local coalitions and committees focused on early childhood.

TWC-Led Listening Sessions and Stakeholder Meetings

In FY'21 and FY'22, TWC held numerous listening sessions and webinars for stakeholders regarding the development and implementation of rule amendments, state plan development, and the use of CCRF.

Additionally, CC&EL leadership regularly met with Boards and representatives from statewide advocacy groups to provide updates on policy changes and funded initiatives.

Response to COVID-19

COVID-19 impacted working families and the child care programs they rely upon. As the lead state agency for the CCDBG, TWC received multiple rounds of federal funding to support child care response and recovery efforts. A detailed breakdown of the CCDBG stimulus funding allocated to Texas, the projects approved, and the remaining available balances for future investments is available online at [Child Care Stimulus Funding Categorized \(November 2022\)](#).

Child Care Industry Stabilization and Capacity Expansion

Child Care Relief Funds

TWC also issued two rounds of [Child Care Relief Funds](#) (CCRF) to child care providers that were open and operating. The CCRF awards were available for state regulated child care providers regardless of participation in the child care subsidy program. In 2021, TWC awarded [9,479](#) child care providers more than \$582 million of Coronavirus Response and Relief Supplemental Appropriations Act (CRRSA) funding through CCRF. Awards averaged \$84,000 for licensed child care centers, \$6,900 for licensed home-based providers, and \$6,500 for registered home-based providers. In 2022, TWC awarded [10,809](#) child care providers nearly \$3 billion of American Rescue Plan Act (ARPA) Stabilization Grant and CRRSA funds through CCRF. Awards averaged \$371,800 for licensed child care centers, \$31,400 for licensed home-based providers, and \$28,700 for registered home-based providers.

Child Care Business Coaching

The COVID-19 pandemic brought to the forefront the challenges of child care businesses due to declining or stagnant enrollment, staffing difficulties, unexpected closures, and increased expenses due to sanitation requirements and smaller class sizes. TWC has invested \$30 million in CRRSA & ARPA funding in [business coaching](#) to complement the CCRF and help child care programs access other financial resources and business supports. Business coaching is available to all regulated child care providers in Texas and offers one-on-one business coaching and a robust toolbox of business resources, including videos and guides. Nearly 2,000 child care providers have engaged in business coaching as of September 2022.

Child Care Industry Expansion Initiative

In 2022, the Commission approved \$150 million in CRRSA and ARPA funding to increase the number of high-quality home- and center-based child care providers for working parents in Texas. Funding supported the following three capacity-building initiatives:

- Funding to CCR navigators to support new and unregulated child care providers through the licensing process
- Funding to Boards for staffing personnel to provide child care business outreach and support
- Start-up funding through the Child Care Provider Expansion Initiative (CCPEI), which offers funding to help expand the availability of child care to the following:
 - Areas of the state that lack sufficient supply of child care, such as child care deserts
 - Programs opening or expanding partnership with a local employer
 - State infant care

As of November 2022, more than 1,800 applications were initiated, including 483 submitted applications. Of those, 125 applications have been approved for more than \$7 million in start-up and initial operating awards. Awarded providers proposed opening 6,136 new child care spaces, including 3,191 for infant care.

Shared Services Alliance Hubs

In June and July 2022, TWC awarded four grants totaling approximately \$5.7 million to plan and implement Shared Services Alliances. The grantees, which include AVANCE, Inc.; Collaborative for Children; Pre-K 4 SA; and Texas Association for the Education of Young Children, have approximately six months to plan their alliance, including selecting the services they will offer and recruiting members, and approximately 18 months to implement their alliance and create a sustainability plan. Each grantee provides a different portfolio of services to various provider populations and geographic regions. The grantees plan to offer various services, including accounting support, marketing support, staff recruitment and retention support, digital literacy support, health benefits, and substitute pools.

Additionally, TWC awarded approximately \$400,000 to the Social and Environmental Entrepreneurs' Opportunities Exchange project (OppEx) to provide ongoing guidance and support to the Shared Services Alliance grantees. OppEx is partnered with Children at Risk to provide professional development, peer support and coaching, individual technical assistance, the creation of templates and other resources, and ongoing communication about and coordination with TWC's CCS.

Appendix: Data Tables

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2022 Average Number of Children in a Texas Rising Star Program by Star Level—Percentage of All Subsidized Children

Table 1A—TANF Parents Who Find Employment within One Year of Receiving Child Care¹

Board Name	2016	2017	2018	2019	2020
Alamo Area	87.90%	89.03%	89.83%	83.89%	82.64%
Borderplex	80.41%	77.21%	76.12%	76.63%	70.42%
Brazos Valley	90.32%	80.00%	96.15%	78.13%	57.14%
Cameron County	81.37%	90.74%	85.42%	81.01%	67.57%
Capital Area	86.47%	83.61%	80.43%	84.38%	81.13%
Central Texas	81.29%	84.24%	84.15%	84.02%	80.95%
Coastal Bend	82.14%	85.59%	85.42%	78.95%	53.33%
Concho Valley	81.25%	100.00%	93.75%	100.00%	84.62%
Dallas	90.83%	87.87%	87.71%	89.13%	80.23%
Deep East Texas	78.13%	96.77%	92.59%	92.86%	80.00%
East Texas	87.30%	92.59%	91.67%	95.56%	88.00%
Golden Crescent	81.82%	71.43%	88.89%	91.67%	100.00%
Gulf Coast	80.43%	84.36%	84.44%	80.51%	74.07%
Heart of Texas	88.37%	91.80%	87.10%	77.19%	65.00%
Lower Rio Grande	77.17%	78.85%	80.86%	77.21%	67.31%
Middle Rio Grande	80.49%	76.19%	84.62%	63.64%	46.15%
North Central	88.17%	90.36%	87.06%	83.67%	71.43%
North East Texas	81.82%	80.00%	80.65%	78.57%	90.00%
North Texas	86.54%	89.55%	86.84%	83.67%	83.33%
Panhandle	74.47%	90.32%	93.75%	80.77%	80.00%
Permian Basin	91.89%	100.00%	95.00%	88.89%	57.14%
Rural Capital	98.51%	93.75%	90.00%	93.62%	87.50%
South Plains	93.75%	86.05%	94.29%	86.67%	88.89%
South Texas	81.48%	84.13%	84.78%	82.22%	64.29%
Southeast Texas	80.77%	90.24%	96.00%	85.71%	80.00%
Tarrant County	86.94%	85.95%	88.15%	86.18%	82.86%
Texoma	86.67%	90.48%	87.50%	94.44%	100.00%
West Central Texas	80.00%	100.00%	96.43%	78.79%	54.55%
System	84.22%	85.92%	86.06%	83.17%	76.28%

¹ Texas Labor Code, §302.0043(a)(1)(A)

Table 1B—TANF Parents Maintaining Employment One Year after Entering Child Care²

Board Name	2016	2017	2018	2019	2020
Alamo Area	59.38%	61.57%	66.51%	60.67%	55.50%
Borderplex	59.36%	58.99%	59.36%	50.31%	40.30%
Brazos Valley	53.57%	74.42%	73.33%	67.39%	50.00%
Cameron County	56.76%	65.81%	66.93%	54.01%	51.47%
Capital Area	64.16%	63.51%	77.25%	69.87%	66.25%
Central Texas	61.11%	61.33%	60.89%	62.16%	58.16%
Coastal Bend	67.03%	61.11%	59.83%	62.50%	59.52%
Concho Valley	74.07%	78.95%	57.14%	44.44%	50.00%
Dallas	65.20%	66.46%	65.00%	59.29%	50.67%
Deep East Texas	61.54%	71.11%	66.67%	76.74%	58.33%
East Texas	63.39%	71.88%	68.14%	71.43%	52.94%
Golden Crescent	66.67%	57.14%	68.97%	68.18%	16.67%
Gulf Coast	55.12%	62.37%	65.06%	57.17%	52.66%
Heart of Texas	67.11%	69.77%	63.64%	58.65%	66.00%
Lower Rio Grande	48.68%	57.49%	62.81%	46.56%	53.45%
Middle Rio Grande	60.87%	70.59%	48.84%	61.90%	42.11%
North Central	63.32%	61.63%	65.04%	58.77%	64.22%
North East Texas	59.42%	55.56%	67.61%	60.00%	43.75%
North Texas	70.37%	70.73%	71.58%	55.56%	72.97%
Panhandle	54.39%	66.67%	65.31%	53.06%	73.91%
Permian Basin	72.09%	68.75%	70.00%	37.50%	50.00%
Rural Capital	65.59%	65.52%	67.01%	64.38%	68.42%
South Plains	53.62%	73.97%	71.43%	55.81%	63.64%
South Texas	47.17%	55.77%	55.74%	46.81%	58.82%
Southeast Texas	53.33%	65.67%	62.50%	54.41%	54.55%
Tarrant County	60.36%	65.46%	65.17%	62.74%	59.24%
Texoma	60.71%	78.26%	58.06%	77.78%	41.67%
West Central Texas	68.63%	71.43%	66.67%	63.04%	53.33%
System	60.10%	64.02%	65.23%	59.11%	55.24%

² Texas Labor Code, §302.0043(a)(1)(B)

Table 2A—Non-TANF Parents Maintaining Employment One Year after Entering Child Care³

Board Name	2016	2017	2018	2019	2020
Alamo Area	88.18%	87.92%	87.00%	85.86%	81.85%
Borderplex	85.63%	84.91%	84.62%	84.10%	79.57%
Brazos Valley	88.78%	89.38%	90.02%	87.58%	85.32%
Cameron County	85.77%	87.57%	87.05%	86.58%	83.17%
Capital Area	88.58%	90.53%	88.58%	88.46%	83.77%
Central Texas	79.28%	78.53%	79.23%	81.22%	79.54%
Coastal Bend	83.55%	85.32%	86.76%	85.02%	80.10%
Concho Valley	86.73%	88.06%	87.85%	84.57%	80.42%
Dallas	89.23%	88.00%	87.67%	84.29%	79.97%
Deep East Texas	86.37%	86.35%	86.08%	86.98%	83.61%
East Texas	87.54%	87.57%	87.15%	85.77%	84.96%
Golden Crescent	84.55%	87.73%	88.07%	84.55%	84.57%
Gulf Coast	84.11%	83.66%	85.05%	83.92%	78.50%
Heart of Texas	88.95%	87.89%	87.35%	84.43%	81.87%
Lower Rio Grande	84.57%	86.40%	85.96%	83.36%	79.94%
Middle Rio Grande	85.70%	89.37%	89.02%	84.56%	82.57%
North Central	86.84%	85.87%	88.03%	84.67%	82.18%
North East Texas	85.49%	82.58%	81.00%	78.99%	80.24%
North Texas	87.38%	85.15%	84.21%	85.67%	82.99%
Panhandle	84.98%	86.70%	86.36%	84.71%	82.10%
Permian Basin	83.88%	85.87%	86.39%	83.15%	76.92%
Rural Capital	88.95%	89.62%	89.45%	87.09%	83.95%
South Plains	87.16%	89.11%	87.90%	85.49%	83.92%
South Texas	85.84%	86.91%	86.12%	85.14%	80.35%
Southeast Texas	85.71%	86.92%	84.93%	82.66%	77.70%
Tarrant County	88.24%	87.84%	87.20%	85.64%	80.55%
Texoma	86.05%	86.44%	85.78%	82.89%	80.00%
West Central Texas	87.01%	86.12%	87.60%	83.68%	82.13%
System	86.20%	86.21%	86.41%	84.65%	80.80%

³ Texas Labor Code, §302.0043(a)(2)(A)

Table 2B—Average Quarterly Wage Gain of Non-TANF Parents Receiving Child Care⁴

Board Name	2016	2017	2018	2019	2020
Alamo Area	\$762.26	\$488.88	\$908.82	\$ 881.97	\$ 1,850.53
Borderplex	\$755.42	\$467.89	\$731.44	\$ 874.74	\$ 1,547.06
Brazos Valley	\$734.44	\$715.48	\$966.35	\$ 927.81	\$ 2,218.57
Cameron County	\$749.40	\$384.94	\$1,032.12	\$ 951.31	\$ 1,300.65
Capital Area	\$921.79	\$795.71	\$1,041.66	\$ 1,123.40	\$ 1,848.14
Central Texas	\$809.26	\$825.68	\$1,028.45	\$ 1,123.01	\$ 1,867.85
Coastal Bend	\$675.34	\$428.65	\$808.74	\$ 860.74	\$ 1,947.70
Concho Valley	\$930.66	\$442.68	\$919.58	\$ 994.10	\$ 2,327.44
Dallas	\$854.83	\$577.14	\$1,073.53	\$ 964.85	\$ 1,911.22
Deep East Texas	\$701.83	\$359.88	\$886.66	\$ 919.85	\$ 1,387.89
East Texas	\$687.46	\$592.04	\$833.75	\$ 1,065.73	\$ 2,154.79
Golden Crescent	\$661.40	\$383.00	\$1,055.80	\$ 957.33	\$ 1,761.69
Gulf Coast	\$862.37	\$744.01	\$1,293.15	\$ 1,234.08	\$ 2,284.36
Heart of Texas	\$769.33	\$344.88	\$924.81	\$ 760.55	\$ 1,900.79
Lower Rio Grande	\$754.92	\$469.12	\$783.39	\$ 863.37	\$ 1,416.28
Middle Rio Grande	\$668.04	\$263.12	\$743.31	\$ 909.59	\$ 1,585.31
North Central	\$948.25	\$698.73	\$1,107.10	\$ 948.63	\$ 2,398.02
North East Texas	\$836.71	\$654.68	\$1,120.46	\$ 2,643.17	\$ 1,546.17
North Texas	\$631.70	\$751.45	\$1,085.04	\$ 879.43	\$ 1,764.44
Panhandle	\$800.18	\$650.40	\$1,159.65	\$ 1,163.29	\$ 1,864.80
Permian Basin	\$699.09	\$700.72	\$1,851.26	\$ 1,455.00	\$ 1,746.97
Rural Capital	\$986.38	\$625.30	\$942.01	\$ 1,275.15	\$ 1,905.45
South Plains	\$948.65	\$510.05	\$1,066.81	\$ 1,014.43	\$ 1,965.84
South Texas	\$761.64	\$434.26	\$774.09	\$ 871.94	\$ 1,120.70
Southeast Texas	\$484.82	\$456.15	\$990.57	\$ 710.11	\$ 1,324.04
Tarrant County	\$766.59	\$693.80	\$1,077.64	\$ 896.76	\$ 2,300.08
Texoma	\$729.34	\$453.58	\$1,234.65	\$ 1,002.51	\$ 2,006.48
West Central Texas	\$712.54	\$536.85	\$769.28	\$ 872.37	\$ 1,894.26
System	\$805.71	\$603.01	\$1,044.56	\$ 1,031.82	\$ 1,929.91

⁴ Texas Labor Code, §302.0043(a)(2)(B)

Table 3—Percentage of Parents Leaving a Child Care Program and Receiving TANF within a Year⁵

Board Name	2016	2017	2018	2019	2020
Alamo Area	20.50%	14.65%	14.32%	11.64%	7.55%
Borderplex	24.56%	14.33%	14.10%	11.09%	6.63%
Brazos Valley	11.54%	5.75%	4.14%	13.64%	9.84%
Cameron County	19.94%	12.96%	12.50%	10.32%	6.99%
Capital Area	22.04%	17.92%	16.09%	11.17%	5.46%
Central Texas	18.75%	12.75%	21.79%	21.61%	9.96%
Coastal Bend	17.48%	15.76%	20.89%	10.95%	3.65%
Concho Valley	13.98%	7.84%	11.11%	4.23%	4.23%
Dallas	33.33%	23.18%	25.92%	17.85%	8.30%
Deep East Texas	13.04%	7.79%	8.46%	5.36%	2.02%
East Texas	13.00%	11.67%	7.69%	4.63%	3.01%
Golden Crescent	8.04%	4.08%	8.70%	6.38%	1.35%
Gulf Coast	19.99%	9.09%	12.19%	9.40%	5.24%
Heart of Texas	17.65%	18.60%	14.79%	9.89%	5.63%
Lower Rio Grande	10.10%	11.06%	7.88%	5.94%	2.69%
Middle Rio Grande	14.94%	12.86%	8.51%	7.76%	6.12%
North Central	13.37%	9.05%	7.85%	6.77%	4.68%
North East Texas	15.12%	18.18%	14.78%	5.10%	1.34%
North Texas	27.62%	20.59%	9.57%	9.09%	2.99%
Panhandle	8.75%	5.88%	6.57%	5.45%	4.86%
Permian Basin	9.88%	7.69%	9.70%	6.37%	2.40%
Rural Capital	13.11%	11.31%	11.40%	6.43%	3.66%
South Plains	6.30%	4.17%	5.22%	2.97%	2.95%
South Texas	15.63%	15.33%	7.05%	7.92%	1.68%
Southeast Texas	19.85%	12.86%	11.50%	13.60%	6.52%
Tarrant County	22.52%	14.65%	15.99%	14.01%	8.06%
Texoma	10.75%	12.50%	6.85%	9.21%	3.85%
West Central Texas	10.68%	14.63%	6.04%	7.69%	7.39%
System	19.14%	12.52%	13.07%	10.14%	5.57%

⁵ Texas Labor Code, §302.0043(a)(3)(B)

Table 4A—2022 Texas Rising Star Providers—Percentage of All Subsidized Providers and Percent of All Regulated Providers⁶

Board Name	All TRS Providers	All Subsidized Providers	Percent TRS	All Regulated Providers	Percent TRS
Alamo Area	115	477	24.1%	1,026	11.2%
Borderplex	77	249	30.9%	389	19.8%
Brazos Valley	38	109	34.9%	163	23.3%
Cameron County	47	152	30.9%	221	21.3%
Capital Area	110	238	46.2%	612	18.0%
Central Texas	37	206	18.0%	328	11.3%
Coastal Bend	28	141	19.9%	264	10.6%
Concho Valley	8	52	15.4%	84	9.5%
Dallas	131	531	24.7%	1,037	12.6%
Deep East Texas	33	76	43.4%	107	30.8%
East Texas	78	199	39.2%	267	29.2%
Golden Crescent	2	55	3.6%	116	1.7%
Gulf Coast	382	1,478	25.8%	3,619	10.6%
Heart of Texas	52	102	51.0%	174	29.9%
Lower Rio Grande	74	399	18.5%	514	14.4%
Middle Rio Grande	11	42	26.2%	79	13.9%
North Central	111	455	24.4%	1,437	7.7%
North East Texas	23	67	34.3%	98	23.5%
North Texas	28	59	47.5%	126	22.2%
Panhandle	35	107	32.7%	182	19.2%
Permian Basin	9	95	9.5%	162	5.6%
Rural Capital	77	281	27.4%	595	12.9%
South Plains	32	119	26.9%	206	15.5%
South Texas	25	112	22.3%	144	17.4%
Southeast Texas	27	89	30.3%	147	18.4%
Tarrant County	139	446	31.2%	972	14.3%
Texoma	14	60	23.3%	89	15.7%
West Central Texas	37	88	42.0%	157	23.6%
System	2,008	6,484	31.0%	13,323	15.1%

Includes data as of September 2022. Board-level data for 2017–2021 can be found at the [Child Care by the Numbers](#) web page.

⁶ Texas Labor Code, §302.0043(f)(3), §302.0042(b)(9)–(10)

Table 4B—2022 Texas Rising Star Providers by Star Level⁷—Percentage of All Subsidized Providers⁸

Board Name	2-Star Providers	Percent 2-Star	3-Star Providers	Percent 3-Star	4-Star Providers	Percent 4-Star	All Subsidized
Alamo Area	13	2.7%	26	5.5%	94	19.7%	477
Borderplex	6	2.4%	10	4.0%	67	26.9%	249
Brazos Valley	22	20.2%	22	20.2%	8	7.3%	109
Cameron County	10	6.6%	15	9.9%	25	16.4%	152
Capital Area	30	12.6%	30	12.6%	76	31.9%	238
Central Texas	1	0.5%	9	4.4%	29	14.1%	206
Coastal Bend	4	2.8%	9	6.4%	19	13.5%	141
Concho Valley	0	0.0%	3	5.8%	5	9.6%	52
Dallas	40	7.5%	20	3.8%	84	15.8%	531
Deep East Texas	2	2.6%	13	17.1%	21	27.6%	76
East Texas	3	1.5%	34	17.1%	52	26.1%	199
Golden Crescent	0	0.0%	0	0.0%	2	3.6%	55
Gulf Coast	69	4.7%	142	9.6%	229	15.5%	1,478
Heart of Texas	12	11.8%	23	22.5%	17	16.7%	102
Lower Rio Grande	12	3.0%	7	1.8%	70	17.5%	399
Middle Rio Grande	2	4.8%	3	7.1%	6	14.3%	42
North Central	19	4.2%	47	10.3%	59	13.0%	455
North East Texas	2	3.0%	1	1.5%	21	31.3%	67
North Texas	3	5.1%	7	11.9%	18	30.5%	59
Panhandle	2	1.9%	19	17.8%	14	13.1%	107
Permian Basin	1	1.1%	2	2.1%	6	6.3%	95
Rural Capital	7	2.5%	7	2.5%	68	24.2%	281
South Plains	3	2.5%	16	13.4%	19	16.0%	119
South Texas	3	2.7%	4	3.6%	21	18.8%	112
Southeast Texas	3	3.4%	11	12.4%	17	19.1%	89
Tarrant County	20	4.5%	50	11.2%	90	20.2%	446
Texoma	0	0.0%	0	0.0%	14	23.3%	60
West Central Texas	13	14.8%	13	14.8%	12	13.6%	88
System	302	4.7%	543	8.4%	1,163	17.9%	6,484

Includes data as of September 2022. Board-level data for 2017–2021 can be found at the [Child Care by the Numbers](#) web page.

⁷ Provider star level reflects provider level at any time during the Board Contract Year.

⁸ Texas Labor Code, §§302.0043(f)(3), 302.0042(b)(9)–(11)

Table 4C—2022 Texas Rising Star Providers by Star Level⁹—Percentage of All Regulated Providers¹⁰

Board Name	2-Star Providers	Percent 2-Star	3-Star Providers	Percent 3-Star	4-Star Providers	Percent 4-Star	All Regulated Providers
Alamo Area	13	1.3%	26	2.5%	94	9.2%	1,026
Borderplex	6	1.5%	10	2.6%	67	17.2%	389
Brazos Valley	22	13.5%	22	13.5%	8	4.9%	163
Cameron County	10	4.5%	15	6.8%	25	11.3%	221
Capital Area	30	4.9%	30	4.9%	76	12.4%	612
Central Texas	1	0.3%	9	2.7%	29	8.8%	328
Coastal Bend	4	1.5%	9	3.4%	19	7.2%	264
Concho Valley	0	0.0%	3	3.6%	5	6.0%	84
Dallas	40	3.9%	20	1.9%	84	8.1%	1,037
Deep East Texas	2	1.9%	13	12.1%	21	19.6%	107
East Texas	3	1.1%	34	12.7%	52	19.5%	267
Golden Crescent	0	0.0%	0	0.0%	2	1.7%	116
Gulf Coast	69	1.9%	142	3.9%	229	6.3%	3,619
Heart of Texas	12	6.9%	23	13.2%	17	9.8%	174
Lower Rio Grande	12	2.3%	7	1.4%	70	13.6%	514
Middle Rio Grande	2	2.5%	3	3.8%	6	7.6%	79
North Central	19	1.3%	47	3.3%	59	4.1%	1,437
North East Texas	2	2.0%	1	1.0%	21	21.4%	98
North Texas	3	2.4%	7	5.6%	18	14.3%	126
Panhandle	2	1.1%	19	10.4%	14	7.7%	182
Permian Basin	1	0.6%	2	1.2%	6	3.7%	162
Rural Capital	7	1.2%	7	1.2%	68	11.4%	595
South Plains	3	1.5%	16	7.8%	19	9.2%	206
South Texas	3	2.1%	4	2.8%	21	14.6%	144
Southeast Texas	3	2.0%	11	7.5%	17	11.6%	147
Tarrant County	20	2.1%	50	5.1%	90	9.3%	972
Texoma	0	0.0%	0	0.0%	14	15.7%	89
West Central Texas	13	8.3%	13	8.3%	12	7.6%	157
System	302	2.3%	543	4.1%	1,163	8.7%	13,323

Includes data as of September 2022. Board-level data for 2017–2021 can be found at the [Child Care by the Numbers](#) web page.

⁹ Provider star level is at any time during the Board Contract Year.

¹⁰ Texas Labor Code, §§302.0043(f)(3), 302.0042(b)(9)–(11)

**Table 4D—2022 Average Number of Children in a Texas Rising Star Program—
Percentage of All Subsidized Children¹¹**

Board Name	TRS Children	All Subsidy Children	Percent TRS
Alamo Area	5,128	9,933	51.6%
Borderplex	5,169	6,418	80.5%
Brazos Valley	1,302	1,391	93.6%
Cameron County	1,939	3,852	50.3%
Capital Area	2,364	2,747	86.1%
Central Texas	1,191	3,287	36.2%
Coastal Bend	1,605	2,860	56.1%
Concho Valley	173	803	21.5%
Dallas	6,028	14,592	41.3%
Deep East Texas	1,316	2,255	58.4%
East Texas	2,695	4,502	59.9%
Golden Crescent	41	1,068	3.8%
Gulf Coast	17,525	29,624	59.2%
Heart of Texas	1,871	2,313	80.9%
Lower Rio Grande	3,710	9,233	40.2%
Middle Rio Grande	188	1,580	11.9%
North Central	2,672	5,634	47.4%
North East Texas	929	1,801	51.6%
North Texas	469	920	51.0%
Panhandle	900	2,002	45.0%
Permian Basin	142	2,293	6.2%
Rural Capital	1,484	2,425	61.2%
South Plains	1,502	2,467	60.9%
South Texas	1,216	2,730	44.5%
Southeast Texas	1,100	2,186	50.3%
Tarrant County	5,629	9,051	62.2%
Texoma	429	1,094	39.2%
West Central Texas	884	1,625	54.4%
System	69,601	130,684	53.3%

Includes data as of September 2022. Board-level data for 2017–2021 can be found in “Child Care by the Numbers” at <https://twc.texas.gov/programs/childcare-numbers>.

¹¹ Texas Labor Code, §§302.0043(f)(3), 302.0042(b)(12)–(13)

Table 4E—2022 Average Number of Children in a Texas Rising Star Program by Star Level¹²—Percentage of All Subsidized Children¹³

Board Name	2-Star Children	Percent 2-Star	3-Star Children	Percent 3-Star	4-Star Children	Percent 4-Star	All Subsidy Children
Alamo Area	416	4.2%	989	10.0%	3,724	37.5%	9,933
Borderplex	269	4.2%	623	9.7%	4,277	66.6%	6,418
Brazos Valley	392	28.2%	607	43.6%	303	21.8%	1,391
Cameron County	286	7.4%	541	14.0%	1,112	28.9%	3,852
Capital Area	369	13.4%	739	26.9%	1,256	45.7%	2,747
Central Texas	11	0.3%	469	14.3%	712	21.7%	3,287
Coastal Bend	195	6.8%	540	18.9%	870	30.4%	2,860
Concho Valley	0	0.0%	92	11.5%	81	10.1%	803
Dallas	1,273	8.7%	786	5.4%	3,969	27.2%	14,592
Deep East Texas	68	3.0%	543	24.1%	705	31.3%	2,255
East Texas	102	2.3%	1,142	25.4%	1,452	32.3%	4,502
Golden Crescent	0	0.0%	0	0.0%	41	3.8%	1,068
Gulf Coast	2,492	8.4%	4,668	15.8%	10,365	35.0%	29,624
Heart of Texas	555	24.0%	916	39.6%	400	17.3%	2,313
Lower Rio Grande	254	2.8%	133	1.4%	3,323	36.0%	9,233
Middle Rio Grande	30	1.9%	62	3.9%	95	6.0%	1,580
North Central	257	4.6%	969	17.2%	1,446	25.7%	5,634
North East Texas	100	5.6%	37	2.1%	792	44.0%	1,801
North Texas	101	11.0%	101	11.0%	268	29.1%	920
Panhandle	26	1.3%	319	15.9%	555	27.7%	2,002
Permian Basin	2	0.1%	70	3.1%	70	3.1%	2,293
Rural Capital	164	6.8%	141	5.8%	1,179	48.6%	2,425
South Plains	196	7.9%	654	26.5%	652	26.4%	2,467
South Texas	52	1.9%	102	3.7%	1,062	38.9%	2,730
Southeast Texas	166	7.6%	427	19.5%	507	23.2%	2,186
Tarrant County	545	6.0%	1,147	12.7%	3,937	43.5%	9,051
Texoma	1	0.1%	5	0.5%	423	38.7%	1,094
West Central Texas	92	5.7%	196	12.1%	596	36.7%	1,625
System	8,413	6.4%	17,016	13.0%	44,172	33.8%	130,684

Includes data as of September 2022. Board-level data for 2017–2021 can be found at the [Child Care by the Numbers](#) web page.

¹² Provider star level is at any time during the Board Contract Year.

¹³ Texas Labor Code, §§302.0043(f)(3), 302.0042(b)(12)–(13)