

January 11, 2011

Workforce Development Division
Texas Workforce Commission

RE: Parent Share of Cost Policy

The City of Austin Early Childhood Council (ECC) is a thirteen member advisory body charged with advising and making recommendations to the Austin City Council regarding early childhood issues, including the continued development of a system of quality early care and education. The Workforce Solutions Capital Area Workforce Board's child care program serves an average of 3,000 children a day and is an essential support program for many low-income and working families in the Austin community.¹ This letter outlines our concerns with the new Parent Share of Cost policy and recommendations for monitoring impacts on parents and providers.

According to calculations performed by the Capital Area Workforce Development Board, the new Parent Share of Cost policy will increase child care costs for families with more than two children in care and incur an estimated annual loss in fees of over \$600,000. The loss in fees may be greater if parents un-enroll children due to increased costs.

The Early Childhood Council recommends that TWC monitor and evaluate the impacts of the new policy in following ways:

- Monitor the number of children that drop out of care
- Explore the impact on providers
- Monitor the cumulative loss in fees collected by local workforce boards

We are also interested in the rationale for removing local flexibility and how this policy change is intended to benefit parents and providers. The Capital Area Workforce Development Board has utilized a parent fee structure that was designed to meet the needs of local parents and providers. It appears that the primary reason for standardizing this policy across the state is to accommodate the new database system, The Workforce Information System of Texas (TWIST).² If there are intended benefits for parents and/or providers under this new policy, please share them so that we may better understand and support the implementation.

We appreciate the work you do on behalf of low-income, working families and look forward to your response.

Sincerely,
City of Austin Early Childhood Council

¹ WFSCAWB webpage, "Public Policy Priorities, Child Care and early Childhood Development," http://www.wfscapitalarea.com/index.php?option=com_content&task=category§ionid=11&id=123

² Texas Workforce Commission letter, WD 15-11, "Parent Share of Cost Policy – Update" June 15, 2011