

THE STATE OF CHILDCARE IN TEXAS

Headline: Texas' childcare structure is fragmented across multiple agencies, lacks a single accountable leader, and cannot consistently show whether public investments improve access, workforce participation, or children's outcomes. The report recommends unified state governance, shared goals, integrated data, and stronger accountability.

The scale of the challenge

2.4 million	1.4 million	\$7.9 billion	11%
Texas children under age six	young children with all available parents working	estimated annual cost to Texas employers	of working parents left a job because of childcare

The report's central diagnosis

- Five state agencies—and a federal overlay—touch childcare, but no entity is accountable for whether the entire system works for families.
 - TWC, HHSC, TEA, DFPS, Comptroller (pre-K), Head Start (federal)
- The state has not established a shared definition of success. Agencies measure separate activities rather than overall family, workforce, provider, and child outcomes.
- TWC's budget measures emphasize the number of children served and cost per child, while its strategic plan also calls for quality—goals that can pull in different directions.
- Subsidy, provider, licensing, and kindergarten-readiness data remain disconnected, preventing Texas from fully evaluating what public dollars achieve.
- Families and providers navigate different programs, eligibility rules, regulations, and points of contact.

What the report recommends

- Unify state governance and accountability under a single lead entity.
- Establish parent-centered goals that preserve safety, access, affordability, and educational outcomes.
- Build integrated data systems to measure parent experience, provider capacity, workforce stability, and kindergarten readiness.
- Implement Sunset staff recommendations for greater TWC and Local Workforce Development Board transparency and accountability.
- Separate safety regulation from educational-quality standards; build childcare career pathways; and make employer partnerships easier to develop.

Important context: The report does not identify which agency should lead. It leaves policymakers to decide whether leadership should sit within an existing agency, an administratively attached entity, or a new agency.

WHAT IS AT STAKE—and how Board members can help

THE POLICY RISK: Although the report does not explicitly recommend moving childcare out of TWC, its call for consolidated governance creates that possibility. Texas could restructure childcare in a way that reduces or removes the role of TWC and the 28 Local Workforce Development Boards.

What could be lost

- **The connection to work.** Childcare determines whether parents can enter training, accept jobs, remain employed, and advance.
- **Integrated services.** Boards connect childcare with WIOA, apprenticeships, employer services, sector strategies, and economic-mobility initiatives.
- **Regional responsiveness.** Childcare supply, costs, work schedules, transportation, and provider economics differ significantly across Texas.
- **Employer leadership.** Boards provide an established structure for employers, education, government, and community partners to solve regional workforce challenges together. Child Care Advisory Council is an example of strategic work with child care alongside the full Board.
- **Local investment and innovation.** Travis County initiatives such as Raising Travis County can be aligned with state childcare and workforce resources through the local system.
- **Provider relationships and market knowledge.** Boards can identify where seats exist, where infant and toddler supply is constrained, and where reimbursement is insufficient to expand capacity.

A constructive position for Workforce Solutions Capital Area

OUR MESSAGE: Support reform but preserve the workforce connection and a meaningful regional role. Texas should strengthen governance, data, consistency, and accountability without replacing local knowledge and partnerships with a one-size-fits-all delivery system.

- Support one clearly accountable state lead and shared statewide outcomes.
- Keep childcare connected to employment, training, employer needs, and regional economic development.
- Retain meaningful local planning, partnership, and implementation roles for Workforce Boards.
- Adopt consistent statewide fraud, oversight, and data standards and give Boards the tools to meet them.
- Measure the full value of childcare: access, affordability, employment continuity, provider capacity, quality, and child outcomes.

Board member call to action

- Use your voice with legislators and local networks.
- Explain how childcare affects hiring, attendance, retention, advancement, and business growth.
- Share local examples that show the value of connecting childcare with workforce and training services.
- Advocate for reform that improves accountability while preserving regional flexibility and employer leadership.
- Help identify employers and community partners willing to publicly reinforce that childcare is workforce infrastructure.

Texas should improve the childcare infrastructure—not lose the workforce and regional capacity that already exists.