

# Child Care Innovation Program

Supporting the Texas workforce by creating the care options they need.

**Quality child care is an essential building block for a thriving Texas.** Access to high-quality early education and care puts young children on a path towards success, enabling their parents to remain in the workforce and ensuring businesses have access to reliable, engaged employees. However, today Texas has only 80 available workers for every 100 open jobs, and **60% of non-working parents nationally report that childcare is a top reason they do not participate in the workforce.**

## CHILD CARE INNOVATION PILOT PROGRAM

**The Child Care Innovation Program (CCIP) empowers regions to better align public and private resources towards increasing the supply of quality, affordable child care aligned to the needs of the workforce.** The CCIP enables local workforce development boards and employers to come together and competitively allocate grants to existing, high-quality child care programs in order to meet specific, identified child care supply needs impacting the local workforce (*e.g., infant & toddler care, nontraditional houred care, etc.*).

In exchange for grant funding, programs must comply with stated requirements of the grant contract, which may be defined regionally. At a minimum, grants must include requirements to:



- Maintain high-quality, TRS-3 or TRS-4 star standards.
- Meet target enrollment thresholds for designated high-demand care services.
- Maintain stable tuition rates.
- Reduce turnover and improve outcomes by ensuring self-sufficient wages for early educators.

**The CCIP shall utilize one-time grant funding made available by the legislature, with the ability for regions to layer in additional public and/or private funding.**

## PILOT GOALS

**The pilot is designed to achieve the following outcomes within each pilot region:**

- Expand access to high-demand child care services.
- Enhance public and private resource coordination.
- Stabilize child care tuition for private-pay families.
- Improve early educator workforce retention.
- Improve program quality and child outcomes.



## SUPPORTING ORGANIZATIONS



Texas Association for the Education of Young Children



### HB 5086 (ORDAZ) | SB 3007 (BLANCO)

Establishes the Child Care Innovation Pilot at Texas Workforce Commission and enables TWC to operate pilot in up to 6 Local Workforce Development Board Regions across two biennia.

**Appropriations Request:** \$100M for 6 LWDB Regions



6 LWDB Regions awarded funding



~222 child care programs awarded per year on average  
Average annual cost per program: \$160,000

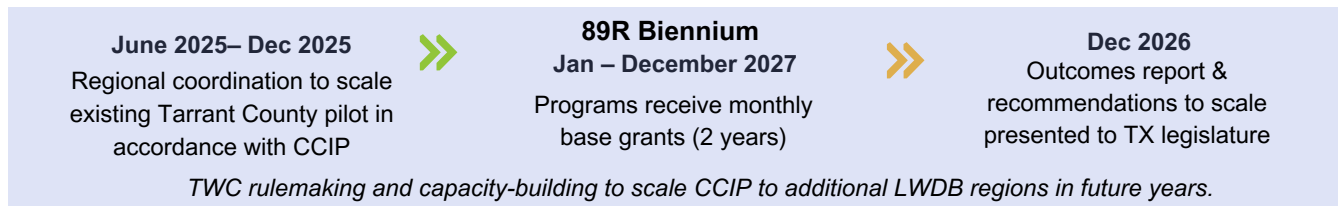


~9,000 children supported per year

### HB 5529 (BUMGARNER) | SB 2979 (HANCOCK)

Establishes the Child Care Innovation Pilot at Texas Workforce Commission and enables operation in two North Texas Local Workforce Development Board areas, leveraging & building on an existing Tarrant County pilot. Enables TWC to select additional regions should funds come available.

**Appropriations Request:** \$20M for 2 LWDB Regions



2 LWDB Regions awarded funding



~52 child care programs awarded per year on average  
Average annual cost per program: \$160,000



~2,200 children supported per year

### SPOTLIGHT: TARRANT COUNTY'S PILOT OUTCOMES

Tarrant County's Prime Early Learning Pilot, operated by Child Care Associates and Rice University's Texas Policy Lab, has been testing the base-grant funding model to increase child care capacity with 19 child care providers in North Texas since 2022. The program's demonstrated success underscores the viability of a statewide program.

- Average total enrollment increased by 81 children (+14%).
- Teacher retention increased to 97%.
- Average tuition reduced to 67% of program costs.

For more details on the Child Care Innovation Program, contact [Catherine.Davis@ChildCareAssociates.org](mailto:Catherine.Davis@ChildCareAssociates.org) or [Jordan.Brown@ChildCareAssociates.org](mailto:Jordan.Brown@ChildCareAssociates.org).