



July 2, 2026

The Honorable Lois Kolkhorst, Chair
The Honorable Lacey Hull, Vice Chair
Members of the Sunset Advisory Commission
P.O. Box 13066
Austin, Texas 78711

Re: Comments on the Texas Workforce Commission Sunset Staff Report

Dear Chair Kolkhorst, Vice Chair Hull, and Members of the Commission:

Thank you for the significant time and care that Sunset staff and the Commission have devoted to reviewing the Texas Workforce Commission. The report provides a thoughtful assessment of the agency's operations and identifies several practical opportunities to strengthen oversight, improve accountability, and better serve Texas employers, families, and children.

Early Matters Texas is a statewide collaborative of business, civic, education, nonprofit, and philanthropic leaders working to strengthen Texas' early childhood system for children birth through age eight. Through nine regional collaboratives serving nearly 1.7 million children across 60 counties, we work closely with local workforce boards, child care providers, employers, school districts, and families. As a result, we see firsthand how state systems are experienced at the community level. It is through this lens that we respectfully offer the following comments.

Recommendations We Support

We appreciate the report's emphasis on improving operational excellence within TWC. Several recommendations address long-standing implementation challenges our regional partners have experienced, including:

- **Stronger TWC oversight of local workforce boards.** Consolidating enforcement authority at TWC and establishing a formal advisory committee replaces today's inconsistent, board-by-board enforcement with a single accountable standard.
- **Modernizing TWC's technology systems.** Communities throughout Texas experienced significant disruptions following implementation of the TX3C case management system, including provider payment delays, inaccurate waitlist information, and increased administrative burden. A comprehensive IT modernization strategy and stronger implementation processes are critical for this system and for other IT efforts in the future.
- **Improving coordination between TWC and DFPS.** Better communication, training, and accountability between agencies will help ensure federal funds are administered appropriately while reducing unnecessary complexity for families and frontline staff. These recommendations also complement the recently established Quad Agency Child Care Initiative, which is building toward stronger collaboration across TWC, the Texas Education Agency, the Department of Family and Protective Services, and the Health and Human Services Commission.
- **A modernized market rate survey.** Accurate data will lead to better policy and decision-making. Updating survey methodology and improving the timing of information available to the Legislature will strengthen future investment decisions.

Collectively, these recommendations represent meaningful steps toward a more effective child care system.

An Opportunity for the Commission

Texas is currently engaged in three significant efforts to strengthen its early childhood system. Each has a distinct role, and together they present an unprecedented opportunity to improve both the administration and governance of services for children and families.

- **Sunset Review** is improving the administration and operations of the Texas Workforce Commission as well as the Health and Human Service Commission.
- **Quad Agency Child Care Initiative (HB 4903)** is strengthening coordination among the four state agencies with primary responsibility for early childhood programs.
- **Governor's Early Childhood Education and Care Task Force (HB 117)** is evaluating whether Texas' overall governance structure best positions the state to improve outcomes for children, families, and employers over the long term.

With that in mind, the primary opportunity is not a specific Sunset recommendation, but alignment across these three efforts. Each serves a distinct purpose, but all move toward the same goal: a more coordinated, efficient, and accountable early childhood system. Because their goals differ, the three should work in concert and in sequence, coordinating with one another in real time, even as each builds toward its own goal on its own timeline.

We appreciate that the Sunset report already anticipates this need, noting that many child care concerns "involve wider policy decisions outside the scope of this review or may be addressed by new interagency initiatives established by the Legislature." We read that as an invitation for these efforts to inform one another as they proceed.

Texas has a rare opportunity to improve both how the current system operates and how the overall system is designed. The Sunset recommendations can strengthen agency operations today, the Quad Agency Initiative can improve coordination across agencies in the near term, and the Governor's Task Force can evaluate whether longer-term governance changes are warranted.

As the Commission continues its deliberations, we respectfully encourage continued coordination with the Governor's Early Childhood Education and Care Task Force and the Quad Agency Child Care Initiative so all of the important work underway builds on each other and leads toward a common vision for a more efficient and family-centered early childhood system.

We thank the Commission again for its thorough work and welcome the opportunity to support ongoing coordination in the months ahead.

With appreciation,



Wendy Uptain on behalf of Early Matters Texas
Executive Director