

Texas Workforce Commission

Strategic Plan 2025-2029

Texas Workforce Commission Strategic Plan Fiscal Years 2025 to 2029

<u>Commission Member</u>	<u>Term End Date</u>	<u>Hometown</u>
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June 1, 2024

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TWC Mission, Vision & Philosophy

TEXAS WORKFORCE COMMISSION MISSION

To promote and support a workforce system that creates value and offers employers, families, individuals and communities the opportunity to achieve and sustain economic prosperity.

TEXAS WORKFORCE COMMISSION VISION

TWC and its Workforce Solutions partners will maximize the power of innovation and partnerships to boost superior business outcomes and realize a competitive advantage for all Texans in the global economy.

TEXAS WORKFORCE COMMISSION PHILOSOPHY

Our work is guided by the following core beliefs:

- We believe Texas is the best place in the country to live, work, and do business.
- We believe that there must be a skilled worker for every employer and a job for every Texan that wants one.
- We believe that local communities are in the best position to address local and regional workforce needs.
- We believe that the workforce system of Texas must be market-driven, meeting the needs of employers and workers, for Texas to continue as a leader in the global market.
- We believe that individuals must assume personal responsibility for making decisions about their lives and be accountable for their actions.
- We believe innovation and partnerships centered around local economic priorities maximizes effectiveness.
- We believe in conducting business with the highest standards of ethics, integrity, accountability and efficiency.

Our success will be based on the following organizational values:

- Our employees are our greatest asset.
- We commit to excellence in everything we do.
- We treat people with respect and dignity and in a fair and equitable manner.
- We strive to be an innovative, flexible, and learning organization.
- We commit to transparent internal and external communication.
- We commit to being an exemplary employer, with world-class performance.

A Message from the Executive Director

The upcoming year, 2025, marks the 30th anniversary of the establishment of the Texas Workforce Commission. When legislators created this agency to replace the Texas Employment Commission, they were making an important value statement: the goal of this agency is not simply to find people jobs, but to build a workforce system that empowers all Texans and drives growth, opportunity, and prosperity for the Lone Star State. Nearly thirty years later, it's hard to argue with success. By working together with policymakers and other agencies through efforts like the Tri-Agency Workforce Initiative, TWC has helped foster a more dynamic workforce capable of supporting one of the nation's strongest and fastest growing economies.

TWC's efforts to address the needs of Texas' workforce are constantly evolving just as the state's economy has evolved. Rapid changes in technology continue to transform the workplace and introduce both new career opportunities for jobseekers as well as challenges for existing industries. In the coming years, Texas will need a workforce built for further growth to empower all Texans. Yet, TWC embraces this challenge by seeking not only to enhance, but also innovate the services we offer our workforce. At the same time, TWC maintains a strong focus on serving the public through proven, vital programs and other efforts that make our workforce robust, resilient, and open to all Texans. All of these initiatives will be outlined in the following strategic plan, but I wanted to highlight several of particular importance:

The Future Workforce

TWC's holistic approach to services will help account for all workforce customers individuals, families, and employers. Through access to a wide-ranging menu of services, TWC and local Workforce Solutions Board partners are able to provide greater integration of services across the entire workforce system. This integrated workforce service delivery model will augment the resources and knowledge of staff at local Workforce Solutions offices, so they can provide workforce customers with a comprehensive, coordinated, and seamless selection of services. To this end, TWC and its network of local partners will be able to work together across programs and funding streams to help individuals achieve their employment goals and assist employers in hiring and retaining employees.

Another important project on the horizon is the Lone Star Workforce of the Future Fund, which will seek to address the middle skills gap comprised of jobs requiring more than a high school diploma, but less than a Bachelor's degree. This is a growing need in the workforce, and preparing workers to fill these jobs is crucial to maintaining a healthy economy. The fund will develop workforce training programs in partnership with junior colleges, technical institutes, and non-profit organizations to meet this need. Apprenticeship Texas continues to expand, providing options for Texas employers to access apprentices and provide training tailored to their specific business. Apprentices will continue to benefit from earn-while-you-learn models, gaining skills and credentials to compete in the global economy.

Customer Service Main Door, Artificial Intelligence and Business Transformation

Customer service is crucial to our agency's ability to serve Texans, but the numerous support services we provide Texans can be daunting for those who visit our website or contact us on the phone. The Customer Care Main Door initiative will transform how the agency provides its customers with the information and services they need. The program is designed to present customers with a clear and direct pathway(s) through the agency's various services, so they can quickly access the programs they are seeking. In addition, the Main Door will also make it easier for customers to learn more about other services offered by the workforce system.

As a precursor to enhancing our customer service TWC completed a redesign of the agency website making it mobile friendly, enhancing its accessibility for the visually impaired, and making its content available in multiple languages across the entire website. TWC also continue to review agency operations to identify duplicative processes and streamline them thus improving service delivery and customer experience.

Along the same lines, TWC is actively exploring forward-leaning, holistic uses for artificial intelligence that can help us

better serve our clients and the State of Texas better. While the benefits of such technology are clear, we also have to ensure it is used responsibly. TWC's approach to using AI is as a support tool for our staff in serving our customers or analyzing data to make better decisions our operations, not ever to replace any of our staff.

Child Care

Access to quality, affordable child care allows working parents greater opportunities to participate in the workforce, and that's a winner for families and the Texas economy. Without access to child care, as many as 100,000 Americans are forced to stay home each month, amounting to \$122 billion lost to our economy.

Administered through the Local Workforce Development Boards, TWC's Child Care Services Program currently funds over 140,000 children per day and provides financial assistance for low income families. Furthermore, TWC recognizes the importance of quality care and early learning through the Texas Rising Star quality rating and improvement system, which is now mandatory for all providers receiving funding through TWC. Texas Rising Star certifies child care programs that meet basic standards of care and provides graduated enhanced reimbursement rates to providers that reach progressively higher levels of quality. Texas Rising Star providers also receive other quality support services, such as coaching, technical assistance, and professional development opportunities.

This 2025-2029 Strategic Plan provides TWC's goals for the five-year planning period. As TWC helps to grow and develop our state's workforce for Texas' economic future, it is with an eye towards rapid changes in technology and innovation in business. But at the end of the day, the most important part of the Texas workforce system will always be the human element. After all, when we talk about the "workforce system," what we're really talking about is how Texans empower themselves and their families through work. Our goal is to help them do that. With the leadership of the agency's three Commissioners and the support of the Governor, Texas Legislature, and our partners across the state, we will continue to implement solutions that provide win-win scenarios for the economy and people of the Lone Star State.

Edward Serna
Executive Director
Texas Workforce Commission

TWC Goals and Action Items

Goal I

Ensure the Texas workforce system supports employers and allows business and industry to thrive.

- 1.1. Provide timely, relevant workforce solutions that enable employers to find and retain the qualified workers needed to be successful and globally competitive.
 - 1.1.1. Deploy rapid, creative, flexible, employer-driven, practical solutions to connect employers with workers of all skill and education levels.
 - 1.1.2. Expand recruiting and hiring services provided by TWC and Local Workforce Boards to help employers build and maintain a robust workforce.
 - 1.1.3. Assist employers in hiring and retaining workers who are able to work but need child care and other critical workforce support services.
- 1.2. Engage with industry to address current and future workforce development needs.
 - 1.2.1. Assess and expand workforce training services for employers to prepare skilled workers to meet employer needs.
 - 1.2.2. Ensure apprenticeship, pre-apprenticeship opportunities, and other work-based learning strategies such as internships, mentorships, etc. are readily available and aligned with employer needs.
 - 1.2.3. Assist employers in easily understanding and navigating workforce programs and resources that can benefit them.

Describe how your goal or action items support each statewide objective.

Accountable to the taxpayers of Texas.

Employers will benefit from this goal through economic benefits that result from its achievement.

Efficient such that maximum results are produced with a minimum waste of taxpayer funds, including through the elimination of redundant and non-core functions.

TWC will maximize resource utilization to benefit employers across the state, ensuring that the agency fulfills its core function with the most efficient use of funding resources and that processes are analyzed to maximize the benefit for every dollar spent.

Effective in successfully fulfilling core functions, measuring success in achieving performance measures, and implementing plans to continually improve.

The goal supports the agency's purpose of providing workforce development services to employers to meet their business needs, focusing on achieving performance measures and continuous improvement.

Providing excellent customer service.

Exceptional customer service will be achieved through engagement with employers and their satisfaction with the services and supports provided.

Transparent such that agency actions can be understood by any Texan.

Regular reporting of activities associated with employer support will demonstrate the benefits of goal achievement.

Goal 2

Ensure a skilled workforce is prepared and equipped to fill critical in-demand jobs, both now and in the future.

- 2.1. Assist workers in obtaining the skills necessary to fill critical occupations, as identified by industry.
 - 2.1.1. Upskill the current workforce to fill in-demand jobs through work-based learning strategies and workforce and education services.
 - 2.1.2. Develop and deploy programs to end the middle-skills gap.
 - 2.1.3. Ensure alignment between training programs and associated credentials with in-demand, high-wage occupations.
- 2.2. Connect a qualified workforce with employers.
 - 2.2.1. Expand the development of high-quality work-based learning opportunities that provide workers with the skills and experience needed to fill in-demand jobs and ensure qualified workers are matched with hiring employers.
 - 2.2.2. Support all individuals, including people with disabilities, veterans, foster youth, adult learners, and second chance populations, to prepare them to achieve career success and close gaps in labor force participation.
 - 2.2.3. Provide child care to eligible families to facilitate their participation in the workforce.
 - 2.2.4. Close the geographic and socioeconomic gap in talent distribution through programs, policy, and technology solutions.
- 2.3. Prepare a skilled workforce to fill critical jobs in the future.
 - 2.3.1. Ensure childcare providers have the support necessary to provide quality early childhood learning programs.
 - 2.3.2. Provide access to the labor market and career information for better-informed decision-making.
 - 2.3.3. Support educational programs for students in Texas that inform and prepare them for high-skill, in-demand jobs and career success.
 - 2.3.4. Align the talent development pipeline with employer demand for qualified workers.

Describe how your goal or action items support each statewide objective.

Accountable to the taxpayers of Texas.

A prepared and skilled workforce will serve as an investment in the state's economy, providing a return on investment to Texas taxpayers.

Efficient such that maximum results are produced with a minimum waste of taxpayer funds, including through the elimination of redundant and non-core functions.

TWC will ensure that resources are used efficiently to maximize every dollar spent on workforce preparation, education, and career services.

Effective in successfully fulfilling core functions, measuring success in achieving performance measures and implementing plans to continually improve.

The goal supports the agency's purpose of providing workforce development services to individuals and preparing a skilled workforce ready to meet employer needs, focusing on achieving performance measures and continuous improvement.

Providing excellent customer service.

Activities support efforts to provide both the current and future workforce with the employable skills they need to succeed in their careers.

Goal 3

Provide exceptional customer service and support to all workforce system stakeholders.

- 3.1. Deliver quality customer service to every customer who interacts with the workforce system.
 - 3.1.1. Ensure that every workforce system customer receives timely, efficient, and beneficial services to address their needs.
 - 3.1.2. Enhance the overall customer experience within the workforce system, providing multiple integrated pathways for customers to choose how they interact with the system.
- 3.2. Seamlessly integrate programs and coordinate services and make them easy for all workforce system stakeholders to access and navigate.
 - 3.2.1. Ensure customers can easily navigate and are comprehensively served across all workforce programs.
 - 3.2.2. Align and leverage resources available to support workforce development efforts through interagency partnerships and collaboration.
- 3.3. Maintain the highest levels of integrity, accountability, and efficiency across the workforce system and TWC programs.
 - 3.3.1. Strengthen systems in place to reduce and eliminate fraud, waste, and abuse within TWC and all programs it administers.
 - 3.3.2. Assist employers and workers with their unemployment insurance program needs by providing quality services in a timely manner.
 - 3.3.3. Reduce discrimination in employment and housing through education and fair administration of employment and housing laws.

Describe how your goal or action items support each statewide objective.

Accountable to the taxpayers of Texas.

All system stakeholders benefit from delivering exceptional customer service, maintaining integrity, and ensuring services are easy to access and navigate.

Efficient such that maximum results are produced with a minimum waste of taxpayer funds, including through the elimination of redundant and non-core functions.

Continuous improvement of processes identifies opportunities to eliminate waste and redundancies to maximize the efficiency of all TWC operations.

Effective in successfully fulfilling core functions, measuring success in achieving performance measures, and implementing plans to continually improve.

The goal achieves the agency's purpose of overseeing and providing workforce development services and supports to all workforce system stakeholders and its mission to support a workforce system that offers employers, individuals, and communities the opportunity to achieve and sustain economic prosperity.

Providing excellent customer service.

Activities support efforts to provide all customers with the support they need. Excellent customer service will be achieved through engagement with all stakeholders and attention to performance measures, process improvements, and oversight.

Transparent such that agency actions can be understood by any Texan.

Performance measures will be reported regularly, and improved communication with stakeholders will be accomplished through upgrades to resources and easily accessed, coordinated services.

Workforce Opportunity = Texas Prosperity: An Agency Overview

The Texas Workforce Commission and its 28 Local Workforce Development Boards, contracted service providers, and community partners provide a wide range of quality workforce development and connection services for Texas employers and job seekers. The primary functions of TWC include managing workforce development and employment services, administering programs such as child care and other support services, and overseeing the unemployment compensation insurance program. TWC also provides labor market information and analysis on shifts in occupations and industries to help businesses and policymakers understand the state's labor market.

The agency's most significant external challenge will be its response to Texas' rapid population and business growth during the five-year planning period covered in this strategic plan. According to seasonally adjusted Current Employment Statistics data from the February 2024 labor market report, Texas added 357,600 jobs to the economy during state fiscal year (FY) 2023, which marks a 2.6% annual growth rate. The Lone Star State is now home to just over 650,000 employers, 3 million small businesses, and a civilian labor force of more than 15.1 million. Continuing an extended period of growth, the state's population now stands at 30.9 million, which is expected to grow to 33.6 million by 2031, according to the Texas Comptroller of Public Accounts Fall 2023 Economic Forecast. Accordingly, TWC long-term employment projections predict that Texas employment will grow to 15.4 million in 2030. The changing labor market and robust economic growth requires TWC to support employers' needs with innovative methods to provide training and work-based learning opportunities in burgeoning occupations, including health care and technology.

TWC and its network of partners continue to operate a highly integrated workforce system. The Texas workforce system includes programs, services, and initiatives administered in cooperation with Local Workforce Development Boards, local adult education providers, community and technical colleges, independent school districts, eight other state agencies, and other key organizations. Although Texas' comprehensive workforce development system remains as a national model for workforce development, its integrated structure allows for continuous improvement and adaptability to meet the needs of job seekers and employers. Improved access and efficiency, along with value-added services, are among the many benefits customers receive from an integrated system. TWC and our system partners continue to explore integration solutions to further improve services provided to job seekers, and employers, such as, training resources, career guidance, and pipelines to lasting, high-demand jobs.

High quality, affordable child care is one of the most critical needs for working parents, employers, and the economy of Texas. In 2023, over 115,000 parents earned \$2.4 billion in wages with the support of financial aid through TWC's Child Care Services. On average more than 40,000 employers were provided a workforce when TWC, Local Workforce Development Boards, and our child care providers cared for 142,000 children on average per day. In FY 2024, TWC plans to provide financial assistance to support approximately 145,000 children per day.

TWC is also focused on the Texas Rising Star (TRS) Program to improve the quality of early childhood programs as we invest in the state's future workforce. Through the program, which is now a mandatory requirement for all regulated child care providers TWC provides tiered reimbursement rates for TRS-certified providers, at a Two-, Three-, or Four-Star level. These tiers correspond with graduated enhanced reimbursement rates of at least five,

seven, or nine percent respectively. Local Workforce Development Boards employ TRS mentors who provide coaching and mentoring, including sharing best practices and the development of Continuous Quality Improvements Plans, to child care programs. In addition, both TWC and Local Workforce Development Boards support the ongoing training and educational attainment of early childhood educators and child care programs through a variety of efforts, including professional development scholarships, early childhood registered apprenticeship programs, child care business coaching, training, mentorship, and support in meeting initial and ongoing continuing education requirements.

TWC's Vocational Rehabilitation (VR) program provides services to eligible individuals with disabilities to help them prepare for and engage in employment. The Bureau of Labor Statistics indicates that, as of 2023, more than 40% of persons aged 16-64 with disabilities were participating in the labor force nationwide, which reflects an increase of 5% from pre-pandemic levels. Labor force participation rates have slowly increased each calendar year since 2021 at a higher rate than that of people without disabilities. As such, TWC has seen a significant increase in individuals with disabilities seeking assistance related to their employment goals. In FY 2023, over 95,000 customers were served through the VR program-up from roughly 90,000 in FY 2022 and 87,000 in FY 2021. TWC will continue to explore ways of maximizing resources to ensure all individuals with disabilities who come to us for assistance can be served.

To sustain the state's economic growth, TWC is fostering a highly skilled and productive workforce to support employers and allow industry to prosper in Texas. In March 2023, the Commission invested \$5 million in Workforce and Innovation Opportunity Act Funds to pilot Upskill Texas, a new training initiative designed to rapidly upskill incumbent workers across the state. Moving forward, Texas is investing more in critical programs to help ensure employers in high-demand industries have the skilled workers they need, such as the almost \$19 million in increased appropriations for the Skills Development Fund in the FY 2024-2025 biennium. In FY 2024, TWC will award \$15 million in Jobs and Education for Texans grants to promote career and technical education programs across Texas based on increased funding approved by the 88th Texas Legislature. TWC is also implementing the new Lone Star Workforce of the Future Fund to train qualified workers for entry- to mid-level jobs in high-demand occupations. In September 2023, the Commission adopted a Workforce Strategy for Rural Texas that includes the creation of the Rural Workforce Working Group composed of business organizations, economic development, and rural community colleges, a set of initiatives targeted at rural workforce development, and convening of a summit to gather rural workforce stakeholders and experts to highlight pressing challenges facing rural workforce development and identify practical solutions to address the challenges.

Offering the right resources to fill critical in-demand jobs—both now and in the future—remains a top priority for the Commission. Through career education, skills training, and labor market information, TWC enhances the employability, earnings, and the standard of living for Texas workers and continues to place individuals on rewarding career pathways while closing the middle skills gap. In support of these goals, Texas is investing nearly \$26 million in new funding for apprenticeship and pre-apprenticeship programs in FY 2024.

TWC also spotlights career opportunities for every segment of the workforce and encourages employers to hire more veterans, foster youth, people with disabilities, second chance individuals, and people transitioning into the workforce. In addition, TWC works with employers to increase and promote internships across Texas through support for the Texas Internship Challenge.

Providing quality customer service and support to all stakeholders in the workforce system is of the utmost importance to TWC. In partnership with the Texas Education Agency and the Texas Higher Education Coordinating Board, the Tri-Agency Workforce Initiative helps all Texans gain access to information, education, and training needed to identify and pursue pathways to employment. Enhanced use of data enables our 28 Local Workforce Development

Boards to make better informed economic development decisions and connect local employers with area job seekers more rapidly.

TWC is committed to delivering exceptional customer service for all participants in the Texas workforce system. TWC established the Customer Care Division with the goal of transforming how the agency provides its customers with the information and services they need. The desired outcome is that customers will have a Main Door that grants clear and direct pathway(s) into the agency, so that they can easily identify the services that are relevant to them. In addition, TWC has piloted a suite of customer management software designed as a precursor to the customer-centered design solution approved by the 88th Texas Legislature to give customers a common entry point for receiving TWC services. In November 2023, TWC completed a redesign of the agency website making it mobile friendly, accessible to the visually impaired, and available in multiple languages across the entire website. TWC also continuously reviews agency operations to identify duplicative processes and streamline them for improved service delivery and customer experience.

The agency places a great deal of value on direct input and feedback from agency stakeholders. To provide customers and other stakeholders with the opportunity to provide the agency with feedback, TWC routinely holds meetings across the state, and through online forums to solicit input. Stakeholder feedback is then used to guide program operations and agency policy in areas such as Child Care and Early Learning and Vocational Rehabilitation. The agency also provides opportunities for stakeholders to provide public comment to TWC's three-member Commission at all regularly scheduled Commission meetings, which are open to in person and remote public commentators. In addition, Commissioners and agency staff routinely travel the state to engage with stakeholders where they live and work, hearing firsthand from stakeholders about their workforce successes, challenges, and needs.

TWC had effective controls in place to detect and prevent identity fraud for the unemployment program prior to the COVID-19 pandemic. However, the immediate and significant increase of unemployment claims filed overwhelmed the existing system and far exceeded available staff needed to detect and prevent potential unemployment identity fraud. New federal programs significantly increased the amount of funding available for unemployment benefits. This made all states' unemployment programs tempting targets for fraudsters, especially schemes involving identity fraud. In response to the increase in imposter claims associated with pandemic claims, TWC implemented several new strategies to fight fraud. The agency added new identity fraud flags indicating imposter claims; engaged with data scientists to analyze TWC claim data and find gaps in fraud deterrence tools; and built on that work by developing predictive machine-learning models to prevent imposter claims.

As a result of these enhancements and other strategies, the percent of total benefits paid prior to shut down for identity fraud has improved considerably from 0.74% (\$411 million) from March 2020-August 2021, to 0.12% (\$2.7 million) in FY 2022, to less than 0.04% (\$888,000) in FY 2023. TWC is also preventing identity fraud before any benefits are paid. In FY 2022, TWC prevented almost 70,000 suspicious claims for a 97.8% success rate, a significant improvement from the 92.9% associated with early pandemic claims. Now, in FY 2023, the identity fraud payment prevention success rate is 99.6%.

In addition to fraud detection and prevention, the security of the information maintained within the state and local networks is increasingly tested by cyber activity. Cybersecurity is a focus for TWC, as cybercrimes continue to evolve at a pace that requires consistent effort and resources toward developing and maintaining the strongest data security available. The world has seen a steady rise in the frequency and sophistication of cyberthreats and preparing and reinforcing infrastructure to respond to this is the new reality that all organizations with IT infrastructure face. Texas' workforce system is no different.

TWC has made continuous improvement part of the agency's culture. The 82nd Texas Legislature charged TWC with establishing a pilot program to improve the efficiency and quality of operations while reducing costs. The results of that pilot were promising, and TWC developed a suite of rapid process improvement principles and tools to support continuous improvement efforts across the agency. That has since evolved to a business transformation-oriented approach. Today, business transformation at TWC includes taking a holistic view of the agency and shifting our systems and processes to better support our agency's vision, mission, and goals.

TWC recognizes that advancements in artificial intelligence (AI) will have an even more significant impact on the broader Texas workforce system as the technology continues to evolve at a rapid pace. As employers continue to embrace advancements in technology, workers will also need the skills to thrive in a changing environment. This presents a unique opportunity for TWC to support both employers and workers through upskilling and reskilling programs. Internally, advancements in AI can be leveraged to better support and assist customers. When TWC became inundated with unemployment insurance claims in March 2020, we deployed Larry the Chat Bot to assist customers with their questions. Like a next generation FAQ page, Larry would field user-generated questions about unemployment cases. Using AI language processing, the bot would determine which answer prewritten by human staff would best fit the user's unique phrasing of the question. Since its introduction, Larry the Chat Bot has fielded more than 21 million questions. In addition, TWC has integrated Chat Bot functionality, known as SARA, to enhance communication with VR customers.

TWC also employs an AI tool for job seekers that provides customized recommendations of job openings, and we are working on multiple predictive analysis projects using machine learning to enhance overall customer outcomes. TWC is actively exploring holistic uses for artificial intelligence that can help us better serve our customers and the State of Texas. While the benefits of such technology are clear, we also have to ensure it is used responsibly.

Internally, the most significant demand for capital resources is technology upgrades over the planning period. Since the previous plan, TWC has made significant progress on modernization within critical agency operations. The agency website, twc.texas.gov, was upgraded in September 2023; the Workforce Case Management Modernization System was replaced in April 2024; and the Child Care Case Management System is expected to launch in July 2024. TWC also migrated four additional systems- Foreign Labor Certification, Work Opportunity Tax Credit, Texas Rapid Response Accountability Compliance System, and the Learner Outcome Tracking System- to newer technology that leverages a low code tool to increase delivery time. TWC selects technology initiatives that advance the agency's mission, goals, and objectives and align with statewide technology principles and priorities defined in the State Strategic Plan for Information Resources.

– Recent Key State Legislation

The 88th Texas Legislature enacted legislation that will positively impact TWC’s ability to serve job seekers and employers. The Following is a summary of legislation enacted by the 88th Texas Legislature for the 2024-2025 biennium and implemented by TWC:

Apprenticeship

[HB 4451](#) (Rep. Bhojani) – This bill requires that TWC issue a report in consultation with Local Workforce Development Boards on available apprenticeship programs in Texas and make recommendations to expand the availability of apprenticeship programs in emerging and high-demand occupations. The report must be submitted no later than September 1 of each year.

Child Care and Early Learning

[HB 1615](#) (Rep. Button) – This bill requires TWC to establish and administer a prekindergarten (pre-k) partnership program that would assist child care providers who meet the eligibility criteria for pre-k partnership, to develop pre-k partnerships with local school districts and open-enrollment charter schools to provide pre-k classes to eligible three and four year old children. The bill also directs TWC to collaborate with the Texas Education Agency on strategies to expand pre-k partnerships. The bill further directs TWC to establish and administer a Child Care Professional Development Scholarship Program for current and prospective child care professionals to pay for certain professional training costs.

[SB 1145](#) (Sen. West) – This bill entitles a person to an exemption from county or municipal taxation for all or part of the appraised value of property the person owns on which the person operates a qualifying child care facility.

[SB 1242](#) (Sen. LaMantia) – This bill authorizes a person who is the director of a day-care center to provide training that meets the minimum training standards prescribed by the Executive Commissioner of the Texas Health and Human Services Commission for an employee, director, or operator of a day-care center, day-care home, or registered family home regardless of whether HHSC imposed an administrative penalty under provisions regulating such facilities against the day-care center.

Employer Initiatives and Outreach

[HB 1755](#) (Rep. Button) – This bill requires TWC to establish and administer the Lone Star Workforce of the Future Fund. The fund will provide grants of up to \$15,000 per participant to eligible entities to coordinate and deliver workforce training programs in high-demand occupations. TWC was appropriated \$5 million for the biennium for this program.

[HB 2975](#) (Rep. Guillen) – This bill amends the Texas Labor Code relating the duties associated with establishing and maintaining a Work and Family Policies Clearinghouse under the jurisdiction of TWC. The bill requires TWC to consolidate and publish work and family policies and resources on the agency’s website to house information on dependent care and other employment-related family issues and serve as a resource for small businesses to use when developing their own policies to benefit their employees.

Fraud Deterrence and Compliance Monitoring

[HB 915](#) (Rep. Craddick) – This bill requires that employers post information regarding the process for reporting workplace violence or harassment in a conspicuous place at the place of business. TWC is charged with consulting with the Department of Public Safety on the development of rules for the content to be included in the publicly displayed notice.

[HB 2459](#) (Rep. Vo) – This bill makes changes to appeal processes related to Child Labor Cases investigated by TWC and provides three distinct levels of appeal to determinations issued by TWC in these cases. The bill also aligns the definition of a child to that of Texas Labor Code Chapter 51 which stipulates that a child is anyone under the age of 21 when working in a sexually oriented business.

Tri-Agency Workforce Initiative

HB 1703 (Rep. Ordaz) – This bill requires TWC to establish and administer a pilot program in the Borderplex Workforce Development Board Area under which the Board will be required to collect and evaluate cross-sectional data and longitudinal supplemental data regarding local career education and training programs for the purposes of identifying successful program components and any gaps in data used to follow up on program participants following completion maintained by TWC, the Texas Education Agency, or the Texas Higher Education Coordinating Board under the Tri-Agency Initiative.

HB 2920 (Rep. Paul) – This bill makes changes relating to the distribution, posting, or provision of information regarding postsecondary education and career opportunities and to the confidentiality of certain information relating to persons provided assistance in accessing postsecondary education. Included in the bill's provisions is the requirement that information resources provided by the Texas Higher Education Coordinating Board must use the most recently available data from TWC regarding costs for obtaining credentials and the median debt of students who complete training programs. THECB is also required to use current TWC information for the top industries in the state as determined by TWC.

SB 2139 (Sen. Parker) – This bill establishes a new Opportunity High School Diploma program to provide an alternative means by which adult students enrolled in workforce education programs at public junior colleges may earn a high school diploma at the college through concurrent enrollment in a competency-based education program that allows students to demonstrate knowledge substantially equivalent to the knowledge required to earn a high school diploma in Texas.

Vocational Rehabilitation

HB 728 (Rep. Rose) – This bill directs the Texas Health and Human Services Commission to establish a statewide interagency gaining services coordinating council to ensure a strategic statewide approach to interagency aging services. The Council is composed of representatives from a variety of state agencies and organizations including TWC.

Vaccine Mandates

SB 7 (Sen. Middleton, 88th 3rd Called Session) – This bill prohibits an employer from having a mandate requiring an employee, contractor or applicant for a position to be vaccinated against COVID-19 as a condition of employment. The bill also establishes a process for an employee, contractor, or applicant to file a complaint with TWC if they believe their employer took an adverse action against them in violation of this law.

Workforce Services

HB 5174 (Rep. Bonnen) – This bill establishes the Texas Semiconductor Innovation Consortium as an advisory panel to the Governor and Legislature to leverage the expertise and capacity of higher education institutions, industry, and nonprofit stakeholders to develop a comprehensive strategic plan to ensure ongoing semiconductor innovation; attract public and private investment related research, development, commercialization and manufacturing, identify and expand opportunities for workforce training and development, and establish a forum for public and private stakeholders across the Texas semiconductor manufacturing industry to focus on education, research and development and commercial production.

SB 2315 (Sen. Hughes) – This bill establishes the Task Force on Consolidation of Workforce and Social Services and charges the task force with the development of a plan to consolidate workforce development programs administered by TWC and social services programs administered by the Texas Health and Human Services Commission.

– Recent Key Federal Legislation

The 117th and 118th U.S. Congresses enacted several measures impacting both funding and operation of TWC and the Texas workforce system.

Government Funding

The 117th and 118th Congress passed a series of Continuing Resolutions and omnibus funding bills to fund the government for FY 2023 and FY 2024.

FY 2023

[HR 6833](#) ***Continuing Appropriations and Ukraine Supplemental Appropriations Act 2023*** (Public Law 117-180) Continued Government Funding from October 1, 2022- December 16, 2022.

[HR 1437](#) ***Further Continuing Appropriations and Extensions Act, 2023*** (Public Law 117-229) Continued Government Funding from December 16, 2022- December 23, 2022.

[HR 4373](#) ***Further Additional Continuing Appropriations and Extensions Act, 2023*** (Public Law 117-264) Continued Government Funding from December 23, 2022- December 30, 2022.

[HR 2617](#) ***Consolidated Appropriations Act, 2023*** (Public Law 117-328) Provided government funding through the remainder of FY 2023 as well as emergency assistance to Ukraine.

FY 2024

[HR 5860](#) ***Continuing Appropriations Act, 2024 and Other Extensions Act*** (Public Law 118-15) Continued Government Funding from October 1, 2023- November 17, 2023.

[HR 6363](#) ***Further Continuing Appropriations and Other Extensions Act, 2024*** (Public Law 118-22) Continued Government Funding from November 17, 2023- January 19, 2024 and February 2, 2024.

[HR 2872](#) ***Further Additional Continuing Appropriations and Other Extensions Act, 2024*** (Public Law 118-35) Continued Government Funding from January 19, 2024- March 1, 2024 and March 8 2024.

[HR 7463](#) ***Extension of Continuing Appropriations and Other Matters Act, 2024*** (Public Law 118-40) Continued Government Funding from March 1, 2024 – March 8, 2024 and March 22, 2024.

[HR 2882](#) ***Further Consolidated Appropriations Act, 2024*** (Public Law 118-47) Provided government funding through the remainder of FY 2024.

Other Legislation

[HR 4363](#) ***Creating Helpful Incentives to Produce Semiconductors (CHIPS) Act, 2022*** (Public Law 117-167)

- Provides \$50 billion in grants over five years to the Commerce, State, and Defense departments for initiatives to support domestic semiconductor research and development.
- Creates a tax credit for semiconductor production; authorizes funding for the National Science Foundation, National Institute of Standards and Technology, and Energy Department; and extends and provides direction for NASA initiatives.

[HR 3746](#) ***Fiscal Responsibility Act of 2023*** (Public Law 118-5)

Debt Ceiling

- The measure suspended the debt ceiling until January 1, 2025.

Spending Caps

- The measure set separate caps for security and non-security programs.

Cap Reduction During Continuing Resolutions

- The provisions would create an incentive to enact all 12 appropriations bills by the end of the calendar year. All 12 appropriations bills must be passed by April 30, 2024 to avoid an automatic 1% cut.

Recission of COVID Funds

- The measure would rescind unspent COVID money (\$27.1 billion, according to CBO). Most of the reductions would come from the Public Health and Social Service Emergency Fund and from certain infrastructure and disaster relief programs.

Work Requirements

- **Temporary Assistance for Needy Families (TANF)**
 - TANF Work Outcomes Pilot Program – provides grants to up to 5 States for conducting pilot programs measuring work outcomes.
 - Changes to reporting for TANF work outcomes.
- **Supplemental Nutrition Assistance Program (SNAP)**
 - Increases the age limit for SNAP E&T participation over time (from 49-54).
 - Includes waiver transparency language.

Proposed Legislation

[HR 6655](#) **A Stronger Workforce for America Act, 2024** The measure aims to update and make improvements to the Workforce Innovation and Opportunity Act in an effort to strengthen the workforce development system, encourage innovation, and offer career opportunities for American workers. The U.S. House passed the measure on April 9, 2024.

Redundancies and Impediments

The Texas Workforce Commission has not identified any current state statutes, rules, or regulations applicable to the agency that would be considered redundancies or impediments. TWC is committed to seeking out and listening to its external and internal customers and partners and will respond to any additional redundancies or impediments identified during this strategic planning period

