

Texas Business Today

Chairman Joe Esparza
Commissioner Representing Employers

October 2026

Texas Employers,

Welcome to the October issue of *Texas Business Today*!

This October, TWC is honored to celebrate National Disability Employment Awareness Month. Texans with disabilities bring valuable skills and experience to the workplace, and employers benefit when they tap into this highly motivated talent pipeline. Through TWC's [Vocational Rehabilitation Services](#) and [Texas HireAbility Campaign](#), TWC helps employers offer meaningful employment to Texans with disabilities, more than 700,000 of whom hold a bachelor's degree or higher.

Texas employers can go one step further in their commitment to inclusive hiring practices by offering job training, internships, and educational opportunities to people with disabilities. These efforts by employers raise awareness and help individuals develop competitive, marketable, and transferable skills, increasing their employability and career potential.

Why Hire Disability Talent?

- **Innovation & Diversity:** Gain fresh perspectives, creative problem-solving skills and an adaptable workforce.
- **Higher Retention:** Employees feel supported, leading to increased engagement and satisfaction.
- **Address Talent Needs:** Hiring individuals with disabilities strengthens your workforce and competitive edge.

Employers can watch a webinar [here](#) to learn more about resources for recruiting and hiring individuals with disabilities.



These efforts keep Texas the best place in the nation to live, work, and do business!

- Joe Esparza



A handwritten signature in black ink, consisting of a stylized 'J' and 'E' followed by a long horizontal line.

Chairman Joe Esparza
Commissioner Representing Employers
Texas Workforce Commission

Texas Business Minute



[Click here to watch the video](#)



Wage and Hour: The Pocket Guide

By: Jikku John

Legal Counsel to Chairman Esparza

Texas Payday Law (state law)

In a nutshell, the Texas Payday Law (TPL) requires an employer to pay its employees in full and on time on regularly scheduled paydays. “In full” means the full pay that is due to the employee under the pay agreement that was in effect when the work was actually performed. “On time” means just that—employees are paid on the scheduled paydays. If the payday falls on a day the company is not normally open for business, the payday is extended to the next business day. Per the TPL, non-exempt employees must be paid at least twice per month on regularly scheduled paydays, and exempt employees at least once per month. “Exempt” generally refers to whether the employee meets the requirements for an overtime exemption as a salaried executive, administrative, or professional employee under the Fair Labor Standards Act (FLSA), including a minimum weekly salary of at least \$684.

Deductions

Three categories of deductions from pay are allowed under the Texas Payday Law:

1. Deductions ordered by a court;
2. Deductions required or specifically authorized under state or federal law;
3. Deductions made for a lawful purpose and authorized by the employee in writing. See here for a sample wage deduction authorization agreement. See. https://efte.twc.texas.gov/wage_deduction_authorization_agreement.html.

Required or Specifically Authorized by Law- No further authorization needed:	Lawful- Written Employee Authorization Needed:
1. Court- ordered child support/ alimony	1. Meals, lodging, and other facilities
2. Guaranteed student loan wage attachment	2. Voluntary wage assignment
3. IRS tax levy	3. Loans
4. Withholding tax	4. Wage or salary advances
5. FICA tax	5. Vacation pay advances
6. Any garnishments mandated by a federal court (i.e. such as in bankruptcy cases)	6. Wage overpayments

	7. Uniform and uniform cleaning costs
	8. Union dues
	9. Misappropriated cash
	10. Payments toward a property return security deposit
	11. Any other deduction for a lawful purpose

*Additional information on deductions and minimum wage compliance can be found here.

See https://efte.twc.texas.gov/allowable_deductions.html.

Fringe Benefits

Paid leave, paid holidays, and severance pay promised in a written policy or agreement are enforceable parts of the wage agreement under the TPL and are enforced according to the terms of such policies.

Final Pay

The TPL regulates the timing of the final paycheck. The deadline for the final paycheck depends upon whether the work separation was voluntary or involuntary. In the event of a discharge or a layoff, the final pay is due by the sixth calendar day following the effective date of the work-separation. In the case of a resignation, the final pay is due by the next regularly scheduled payday. Commissions, bonuses, and severance pay are payable according to their respective plans or agreements.

Delivery of Wages

Employers have significant flexibility in delivering wages, with options including in-person delivery, direct deposit, or payment to an authorized third party. However, certain methods require strict compliance; for instance, payment of wages by EFT (electronic funds transfer, or direct deposit) involves prior



arrangements and paperwork with a bank and is subject to federal and state rules. Payment with a payroll or debit card requires 60 days' advance written notice, and the employer must give the employee information regarding usage fees and on opting-out of the payroll card program and available alternative ways of receiving pay. If the employee receives part or all of the wages "in kind" (in a form other than cash or negotiable money

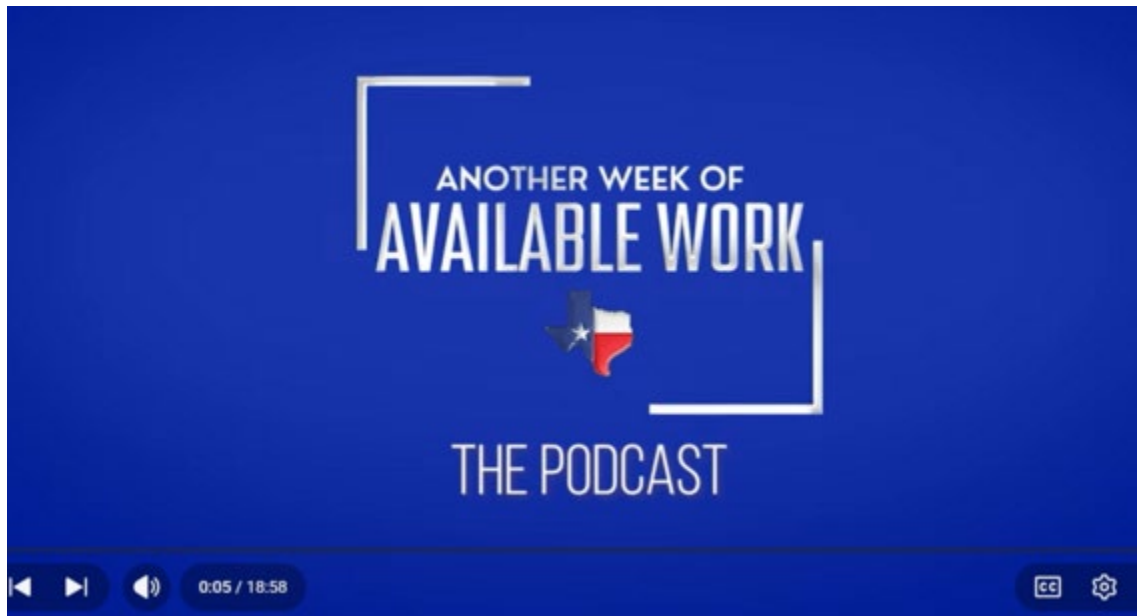
order or check), the employee has to have authorized that in writing in advance of the payment.

Although providing written statements of earnings—commonly known as pay stubs—is not a strict requirement for employees covered under the FLSA (see sections [62.003](#) and [62.151](#) of the Texas Minimum Wage Act), it remains a critical best practice for employers. Issuing these statements helps satisfy federal recordkeeping obligations and fosters transparency by showing employees exactly how their pay and deductions were calculated, which helps prevent disputes. These records may be delivered in either physical or electronic formats. If sent via email, consider using some form of password protection and/ or encryption, since privacy and identity theft issues are becoming more critical all the time. If sent via regular mail, Texas law requires employers to give employees an annual reminder that they have the right to request the company not to print their Social Security number on any documents sent through the mail (see [Section 501.001\(b\)](#) of the Texas Business & Commerce Code). Finally, it is essential that wages never be paid in cash without obtaining a signed, dated receipt from the employee, as a lack of documentation can leave an employer vulnerable to claims of non-payment.

Conclusion

For questions about this issue, or any other employment-related matters, employers can call our employer hotline at 1-800-832-9394 or email us at: employerinfo@twc.texas.gov.

Another Week of Available Work: A Podcast with Chairman Joe Esparza



[Beyond the Hospital: Building Texas' Healthcare Workforce Through Ambulatory Surgical Centers](#)

In this conversation, Chairman Esparza visits Cedar Park Surgery Center to explore how ambulatory surgery centers are expanding healthcare careers beyond the hospital. Misty Shaw and Adam Hornback discuss the benefits of ASC work, including predictable schedules, strong teamwork, and opportunities for nurses, surgical technicians, medical assistants, and other healthcare professionals. They also examine the challenges facing Texas' healthcare workforce, from staffing shortages and training costs to limited clinical placements. Tune in to learn how education partnerships, dual-credit programs, grants, and earn-while-you-learn pathways can help build a stronger healthcare workforce.

[Click here to listen to the episode](#)



Help Fight Fraud

A Quick Response to UI Claims Protects Your Business

When an individual files an unemployment insurance (UI) claim, the Texas Workforce Commission (TWC) notifies the employer. We need you to respond to these notices quickly to help us prevent fraud. This protects your business.

Response Time Matters



You have 14 days to respond to a UI claim notice, but responding within 48 hours helps us catch fraud fast.

Follow the instructions on the UI claim notice with four ways to respond:

- Online
- Phone
- Mail
- Fax

Step 1: Respond to the UI Claim



Online



Phone



Mail



Fax

Protect Your Business



- Save money; avoid unwarranted charges.
- Ensure accurate UI benefit information for decisions.
- Don't miss the 14-day deadline or you may lose the right to appeal the claim decision.

Step 2: Report Fraud

If the applicant is still working for you and did not file, or never worked for you, notify at [UI Fraud Submission](#). Then respond to the claim at [Employer Response](#).



Resources

- For more information, visit [Employer Notices](#).
- Sign up to receive notices at [Employer Benefit Services](#).

Equal Opportunity Employer/Program. Auxiliary aids and services are available upon request to individuals with disabilities. Relay Texas: 800-735-2989 (TTY) and 711 (Voice). twc.texas.gov



Texas HireAbility Employer Forum & Lex Frieden Employment Awards

Register Now:

<https://bit.ly/3VGP8MR>

October 21, 2026

8:30am-2pm

**Collin College
McKinney Campus Conference Center**

Helping Employers Recruit, Retain, & Accommodate Texans with Disabilities



**TEXAS
WORKFORCE SOLUTIONS**
VOCATIONAL REHABILITATION SERVICES

**WORKFORCE SOLUTIONS
NORTH CENTRAL TEXAS**



TEXAS EMPLOYER HOTLINE 1-800-832-9394

Hiring Issues | Medical Leave-Related Laws | Personnel Policies and Handbooks
Independent Contractors and Unemployment Tax Issues | The Unemployment Claims and Appeals Process | Texas and Federal Wage and Hour Laws



Employer Hotline Hours: M-F, 8am - 5pm

Information provided by employment law attorneys in the Office of the Commissioner Representing Employers at the Texas Workforce Commission

Texas Business Today is provided to employers free of charge

Texas Business Today is a monthly update devoted to a variety of topics of interest to Texas employers. The views and analyses presented herein do not necessarily represent the policies or the endorsement of the Texas Workforce Commission. Articles containing legal analyses or opinions are intended only as a discussion and overview of the topics presented. Such articles are not intended to be comprehensive legal analyses of every aspect of the topics discussed. Due to the general nature of the discussions provided, this information may not apply in each and every fact situation and should not be acted upon without specific legal advice based on the facts in a particular case.

Connect with the Office of the Commissioner Representing Employers

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