



ANNUAL REPORT 2025





Our 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.*

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For additional information on TWC's activities in
2025, visit our Supplemental Report
<https://bit.ly/2025-Supplemental>

This report was compiled for submission in compliance with Texas Labor Code Section 301.065. Data in this report reflects state fiscal year 2025 (Sept. 1, 2024 – Aug. 31, 2025). TWC is publishing this report with available Civil Rights Division data and will publish an amendment when outstanding federal data becomes available.

TWC Commissioners' Message

The Texas Workforce Commission (TWC) is the state agency that oversees and provides workforce development services to all Texans. We help strengthen the Texas economy as part of the Governor's economic development strategy. TWC promotes and supports a workforce system that creates value and offers individuals, families, and communities the opportunity to achieve and sustain economic prosperity alongside businesses that call Texas home.

We have a skilled workforce of 15.8 million working-age Texans supporting more than 680,000 employers and more than 3 million small businesses. In 2025, the Texas workforce grew by 1.0 percent – 164,000 more Texans by the end of the fiscal year. This growth presents many opportunities, and TWC has numerous programs designed to assist Texans with their success in the Texas workforce.

The jobs growth in Texas has also created a need for the workforce to learn new skills. TWC's upskilling and reskilling programs provide both employers and the workforce with opportunities to maintain an up-to-date skillset. In 2025, the Skills Development Fund provided more than \$19 million to support training opportunities for 10,361 Texans. In support of employer needs for workforce-readiness training, we launched the Skills for Success program with \$5 million in funding.

TWC also facilitates additional training opportunities with 1,038 apprenticeship programs in Texas, supporting more than 40,600 active apprentices working towards the credentials needed to excel in their careers. Additionally, the Jobs and Education for Texans (JET) program provided \$14,085,278 in supplemental funds for schools to update teaching equipment, particularly in Career and Technical Education programs, which helped train 6,479 students. For basic skills, like high school equivalency and language literacy, TWC also offers Adult Education and Literacy programs, which served 65,443 participants last year.

In 2025, the agency continued to support individuals who may have difficulties in entering the workforce. For instance, through grants to foster youth transition centers, TWC supported 1,962 young people who needed additional assistance in identifying and preparing for career opportunities. Additionally, the agency is continuing to assist employers in hiring individuals who have a criminal record and need a second chance through an annual GRACE Conference, which provides actionable information to employers on how to help these individuals be successful in their workplace.

TWC saw growth in Vocational Rehabilitation (VR) services with 71,501 Texans participating in the program. We continue to work in partnership with the local workforce development boards to share resources and prepare VR customers to obtain, retain or advance in employment. As of 2025, TWC has a total of 97 integrated VR locations across the state.

TWC's Child Care Programs assisted 116,637 families in 2025, providing \$1.4 billion in child care financial assistance and quality improvements. These funds supported 148,963 average children per day. This program supports working parents by ensuring their children have quality child care while the parents work or participate in approved training programs. TWC recently announced the Child Care Business Support initiative to provide child care providers with the tools they need to help their businesses thrive. The initiative demonstrates TWC's commitment to helping child care providers manage their business needs, so they can continue offering the highest possible quality of care.

TWC also operates the state's Unemployment Insurance (UI) program, paying 540,230 claims in 2025. And, the UI program paid \$3 billion in benefits to employees who lost their jobs, bridging the gap to re-employment.

TWC partners with more than 170 Workforce Solutions offices across Texas to meet the needs of both job seekers and employers. In 2025, Texas Workforce Solutions offered career resources to nearly 690,000 job seekers and provided more than 240,000 staff-assisted services such as career fairs, job postings, and pre-employment screenings to Texas employers.

We are proud to offer all the resources that we have available through Texas Workforce Solutions to support a strong business climate and workforce system. TWC remains committed to keeping Texas the best place to live, work and do business.

Sincerely,



A handwritten signature in black ink, appearing to read "Joe Esparza".

Chairman Joe Esparza
Commissioner
Representing Employers



A handwritten signature in black ink, appearing to read "Alberto Treviño III".

Alberto Treviño III
Commissioner
Representing Labor



A handwritten signature in black ink, appearing to read "Brent Connett".

Brent Connett
Commissioner
Representing the Public

Unemployment Compensation Trust Fund

For Years Ending August 31, 2021 through August 31, 2025* In millions*

| | FY 2021 | FY 2022 | FY 2023 | FY 2024 | FY 2025 |
|--|---------------------|--------------------|--------------------|--------------------|--------------------|
| Total Net Position at September 1st | (\$3,729.1) | (\$5,548.8) | \$2,209.1 | \$2,082.1 | \$1,317.8 |
| Restatement of Net Position | - | (\$165.3) | - | \$2.0 | - |
| Total Net Position at September 1st | (\$3,729.1) | (\$5,714.1) | \$2,209.1 | \$2,084.1 | \$1,317.8 |
| Revenues: | | | | | |
| Unemployment Taxes | \$2,034.7 | \$2,506.2 | \$1,999.3 | \$1,927.4 | \$1,937.4 |
| Federal Revenues [†] | \$21,211.6 | \$207.2 | \$120.1 | \$61.9 | \$25.0 |
| SB 8 (appropriated ARPA funds)) & HB 500 (89th) [‡] | - | \$6,979.2 | - | - | \$68.0 |
| Contributions from Directly Reimbursing Employers | \$436.6 | \$49.9 | \$48.7 | \$69.0 | \$113.3 |
| Reimbursement for Out-of-State Claimants | \$207.5 | \$55.8 | \$68.1 | \$95.2 | \$75.4 |
| Interest Income | \$0.2 | \$14.3 | \$20.6 | \$57.9 | \$40.8 |
| Total Revenues | \$23,890.6 | \$9,812.6 | \$2,256.8 | \$2,211.4 | \$2,259.9 |
| Expenditures: | | | | | |
| State Unemployment Benefits | (\$4,873.4) | (\$1,759.9) | (\$2,263.7) | (\$2,934.8) | (\$3,176.8) |
| Federal Unemployment Benefits [†] | (\$21,147.0) | (\$181.5) | - | - | - |
| Benefits Paid to Former Federal Employees and Individuals Affected by Trade Agreements/Natural Disasters | (\$64.6) | (\$25.8) | (\$93.8) | (\$61.9) | (\$17.4) |
| Interest Expenses [§] | - | (\$28.7) | (\$26.3) | - | - |
| Total Expenditures | (\$26,085.0) | (\$1,993.9) | (\$2,383.8) | (\$2,996.7) | (\$3,194.2) |
| Transfers | | | | | |
| ETIA and Obligation Assessment Balance | \$374.7 | \$104.6 | - | \$19.0 | - |
| Total Transfers | \$374.7 | \$104.6 | - | - | - |
| Total Net Position at August 31st: | (\$5,548.8) | \$2,209.2 | \$2,082.1 | \$1,317.8 | \$383.5 |
| SB8 Receivable (Amount Received in FY 2022) [§] | \$6,979.2 | - | - | - | - |
| Total Net Position at August 31st (including SB8 Receivable) | \$1,430.4 | \$2,209.2 | \$2,082.1 | \$1,317.8 | \$383.5 |

*The State of Texas Unemployment Compensation Fund includes the following funds and accounts: Corona Virus Relief Fund – Proprietary (Fund 1325); Unemployment Compensation Clearance Account (Fund 0936); Unemployment Compensation Benefit Account (Fund 0937); Unemployment Trust Fund Account (Fund 0938).

[†] Most of the federal benefits shown above were funded by the Coronavirus Aid, Relief, and Economic Security (CARES) Act enacted in March 2020 and the American Rescue Plan Act (ARPA) enacted in March 2021 to address the economic and health impacts of the COVID-19 pandemic.

[‡] Interest began accruing on September 4, 2021, on the Title XII federal advances the Commission had received from the U.S. Treasury to provide working capital for the unemployment trust fund after the fund became solvent. All Title XII advances were paid off on November 24, 2021, from funds provided by SB 8.

Additionally, HB 500 of the 89th Legislature appropriated \$68 million from the general revenue fund to the Texas Workforce Commission Unemployment Compensation Fund.

[§]TWC received \$6.9 billion of ARPA funds appropriated from Senate Bill 8 (SB8) during the 87th Legislative Session, 3rd Special Session, to repay its Title XII federal advances under the Social Security Act and bring the trust fund balance to the statutory floor. Note, that although the legislation did not pass nor had the Governor signed the bill until November 2021, these funds were included as a “receivable” in FY 2021 for this report. The actual amount received occurred in FY 2022.

Civil Rights Division Data

TWC’s Civil Rights Division (CRD) safeguards the civil rights of Texans by investigating discrimination in employment and housing.

The reporting cycle for CRD data, which is necessarily received from federal partners, extends beyond the data collection timeline for other agency activities this year. TWC is publishing this report with available CRD data and will publish an amendment when outstanding federal data becomes available.

CRD I: Housing and Employment Complaints by Type of Closure

Table 1.1 Closed Housing Complaints

CRD closed 547 housing complaints with an average processing time of 93 days.

| Closure Type | FY 2020-2024 (Avg) | FY 2025 |
|---|--------------------|------------|
| No cause determination | 194 | 312 |
| Conciliation/settlement successful | 106 | 138 |
| Complaint withdrawn by complainant after resolution | 22 | 29 |
| Administrative Closure * | 32 | 68 |
| Post Cause Settlement | 2 | 0 |
| Total Housing Complaints Closed | 356 (Avg) | 547 |
| Average Processing Time (Days) | 119 | 93 |

* Administrative closures are due to lack of jurisdiction, failure to cooperate, failure to locate, or complainant withdrawn without resolution.

Table 1.2 Closed Employment Complaints

CRD closed 1,511 employment complaints with an average processing time of 344 days.

| | FY 2020-2024 (Avg) | FY 2025 |
|---------------------------------------|--------------------|------------|
| Total Employment Complaints Closed | 1,164 (Avg) | 1,511 |
| Average Processing Time (Days) | 375 | 344 |

Table 1.3 Closed State Agency Employment Complaints

Data not available.

CRD 2: Housing and Employment Complaints Filed by Type of Basis

Table 2.1 Housing Complaints Filed by Basis

Top four basis categories account for 89 percent of the housing complaints filed during FY 2025.

| Basis | FY 2020-2024 (Avg) | FY 2025 |
|-----------------|--------------------|---------|
| Disability | 52% | 52% |
| Retaliation | 9% | 17% |
| Race | 22% | 15% |
| National Origin | 6% | 5% |
| Sex | 4% | 4% |
| Familial Status | 4% | 4% |
| All Other Basis | 3% | 3% |

Table 2.2 Employment Complaints Filed by Basis

Data not available

Table 2.3 State Agency Employment Complaints Filed by Basis (Other Than Without Merit)

Data not available

CRD 3: Housing and Employment Complaints Filed by Type of Issue

Table 3.1 Housing Complaints Filed by Issue

Discriminatory terms, conditions, privileges or services and facilities accounted for 34% of the housing complaints filed by CRD.

| Issue | FY 2020-2024 (Avg) | FY 2025 |
|---|--------------------|---------|
| Discriminatory terms, conditions, privileges or services and facilities | 40% | 34% |
| Failure to make reasonable accommodation | 26% | 31% |
| Discriminatory acts under Section 818 (coercion, etc.) | 9% | 14% |
| Discriminatory refusal to rent | 14% | 7% |
| All Other Issue | 6% | 7% |
| Discriminatory advertising, statements, and notices | 3% | 4% |
| Failure to permit reasonable modification | 2% | 2% |

Table 3.2 Employment Complaints Filed by Issue

Data not available.

Table 3.3 State Agency Employment Complaints Filed by Issue (Other Than Without Merit)

Data not available.

CRD 4: Key Findings or Trends Identified by CRD During Reviews of State Agency Personnel Policies and Procedures

EEO training accounted for 55% of the opportunities for state agencies to improve their personnel policies and procedures.

| Category | FY 2020-2024 (Avg) | FY 2025 |
|---|--------------------|-----------|
| EEO Training | 28% | 55% |
| Hiring and Recruitment Plan | 31% | 24% |
| Reasonable Accommodation | 27% | 21% |
| Performance Evaluations | 14% | 0% |
| Number of Opportunities for Improvement Identified | 60 (Avg) | 29 |
| Agency Review | 28 (Avg) | 30 |



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