

# 2025 Revisions to TWC Ethics Policy

## Discussion Paper

### Background

Section 572.051(c) of the Texas Government Code requires each State agency to adopt a written ethics policy for the agency's employees. Section 301.0015 of the Labor Code requires the Commission to set policies governing the Texas Workforce Commission (TWC). These actions must be performed as a body as an official act, which must therefore be performed during open meeting.

The TWC Ethics Policy was last reviewed and adopted by the Commission on July 30, 2024. After adoption, on November 19, 2024, Governor Abbott issued Executive Order No. GA-48 (Executive Order), which requires State agencies to include certain provisions regarding foreign adversaries in the agencies' ethics policies and to certify compliance by August 1, 2025.

Accordingly, the TWC Ethics Policy has been revised to make the changes required by the Executive Order as well as a few additional changes.

### Summary of Changes

Most of the edits to the Ethics Policy are non-substantive in nature and are made to improve the clarity of the Ethics Policy; to ensure the accuracy of links to other relevant policies, procedures, and external sources; and to remove references to the Ethics Advisor, which is a now-defunct position.

The Ethics Policy has also been revised to add a placeholder to reference the upcoming Ethics Policy and Guidelines for Use of TWC Data and Artificial Intelligence. For now, the published version of the policy will omit this reference. Once that policy is approved, we will add the reference to the new policy and provide a link without having to come back to the Commission.

Only seven edits are substantive:

- (1) Section 1.10.2.2 has been revised to expressly prohibit access to TWC systems for non-TWC purposes or for purposes outside the scope of the employee's employment.
- (2) Section 1.10.2.5 has been revised to expressly prohibit employees from participating or engaging in fraud, theft, waste, abuse, or corruption. The revised language further states that employees who violate Section 1.19 of the TWC Personnel Manual also violate this section of the Ethics Policy.
- (3) Sections 1.10.2.7 and 1.10.2.8 have been revised to remove the phrase "for compensation." These changes make clear that the

prohibitions in subsections 7 and 8 apply to all self-employment activities, regardless of whether the employee receives compensation.

(4) Section 1.10.2.11 has been revised to add a sentence to state that violations of subsection 11 would include employees' misrepresentation of their role with TWC.

(5) To comply with the Executive Order, Section 1.11.1 (a) expands the definition of "prohibited sources" for gifts to include entities on the U.S. Department of Commerce's foreign adversaries list in 15 C.F.R. § 791.4 (Foreign Adversaries List) and (b) provides a reporting mechanism for employees who are approached by anyone representing a country on the Foreign Adversaries List offering a gift or who become aware of any violations of the policy regarding prohibited gifts from foreign adversaries.

(6) Sections 1.12.1, 1.12.1.1, and 1.12.1.3 have been revised to remove ambiguity and clarify the circumstances when employees must submit a P-44 form to request approval of outside activities. The revised language of Section 1.12.1.3 requires employees to submit a P-44 form for approval of:

- any outside employment or dual employment,
- any outside activity that could be perceived to be within the purview of, or overlaps with, TWC's operations, or
- any outside activity that involves a leadership position, even if unpaid.

The revised language provides additional guidance that "a 'leadership position' includes—but is not limited to—positions where a TWC employee is an officer, partner, or director of any organization or entity or a member or manager of a limited liability company, even if the role is on a voluntary basis."

(7) To comply with the Executive Order, Section 1.15.3 (a) prohibits travel to, for professional purposes, a country on the Foreign Adversaries List and (b) provides a reporting mechanism for employees who are approached by anyone representing a country on the Foreign Adversaries List offering such travel or who become aware of any violations of the policy regarding prohibited travel.

A marked copy of the Ethics Policy with proposed revisions is provided for your review.

## **Recommendation**

Staff recommends approval of the revised TWC Ethics Policy.