

Workforce Innovation and Opportunity Act Annual Report

Titles I and III, Program Year 2023





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INTRODUCTION

Texas remains the best state in the nation to work, live, and do business. Texas' robust economic growth continued in Program Year 2023 (PY 2023), adding 267,400 jobs since PY 2022 and solidifying its national leadership in job creation. This achievement, coupled with Texas' recent recognition as "State of the Year" for business climate and job growth, highlights the critical need for a highly skilled workforce to fuel sustained economic expansion. To maintain this momentum, the Texas Workforce Commission (TWC) is dedicated to providing the resources necessary for employers and the workforce to fill current and future in-demand jobs. Through comprehensive career education, skills training, and robust labor market information (LMI), TWC empowers Texas workers to enhance their employability, increase their earnings, and improve their standards of living while actively placing individuals on fulfilling career paths.

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. In the coming years, Texas will need a workforce built for further growth to empower all Texans. 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.

Focus on Integration

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 (Boards), local adult education providers, community and technical colleges, independent school districts (ISDs), eight other state agencies, and other key organizations. Although Texas' comprehensive workforce system remains a national model for workforce development, its integrated structure allows for continuous improvement and adaptability to meet the needs of employers and job seekers such as improved access and efficiency, along with value-added services. TWC and its system partners continue to explore integrated solutions to further improve services provided to job seekers and employers, such as training resources, career guidance, and pipelines to lasting, high-demand jobs.

TWC administers all four titles of the Workforce Innovation and Opportunity Act (WIOA), as well as other federal and state programs, including Supplemental Nutrition Assistance Program Employment and Training (SNAP E&T), Temporary Assistance for Needy Families Employment and Training (TANF E&T), subsidized Child Care Services, Trade Adjustment Assistance (TAA), Reemployment Services and Eligibility Assessment (RESEA), Apprenticeship Texas, and Skills Development Fund (customized training for businesses). Through this highly expansive ecosystem of programs and partners, TWC and Boards are able to provide greater integration of services across the entire workforce system. This integrated workforce service delivery model augments 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 in a true one-stop environment. To this end, TWC and its network of local partners work together across programs and funding streams to help individuals achieve their employment goals and assist employers in hiring and retaining employees.

One notable improvement to the Texas workforce system was initiated when TWC began integrating staff to support the delivery of Vocational Rehabilitation (VR) services to help individuals with disabilities gain skills to prepare them for sustainable employment. In PY 2023, VR served 92,791 customers. To date, 22 Boards have completed the integration of VR staff within their local workforce development areas (workforce areas), and VR staff have collocated in 104 Workforce Solutions Offices. TWC expects to complete 10 more office integrations by federal Fiscal Year 2026 (FY 2026). TWC fosters partnerships and initiatives to strategically position the statewide workforce system in new directions related to full system integration.

Another example is the Adult Education Employer Engagement project, which was designed to build capacity and expand the deployment of workplace literacy programs that support job advancements, skill gains, and demonstrated approaches to serving employers while improving the transferrable skills of Texans.

The Adult Education Employer Engagement project concluded successfully in January 2024, fostering impactful partnerships between 23 participating employers and over 390 adult learners. Collaborative efforts with grantees resulted in customized milestones for each employer, achieving significant outcomes for 63 percent of participants. To expand on this success, the project's best practices will be disseminated statewide via the Adult Education and Literacy (AEL) Eligible Provider Network, fostering broader employer engagement and creating more opportunities for adult learners across Texas.



INNOVATING FOR SUCCESS

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. To sustain the state's economic growth, Texas is investing more in critical programs to help ensure employers in high-demand industries have the skilled workers they need.

TWC remains dedicated to fostering a healthy economic environment where Texas employers thrive and create high-quality jobs for all Texans. Through the strategic use of statewide funding, in conjunction with other funding where feasible and appropriate, TWC actively promotes innovation in workforce development. This commitment is realized through grants to Boards, institutions of higher education (IHEs), community-based organizations (CBOs), and other eligible entities. This fosters innovation at the local level, with Texas Boards developing promising practices that can be scaled, to better serve Texas employers and job seekers.

Texas Talent Connection



Governor Greg Abbott's Texas Talent Connection Grant supports innovative education and workforce skills training programs that lead to successful employment placements, increased wages, and job retention, in addition to programs serving workforce populations with special needs. This year, the governor awarded over \$6.3 million to workforce skills training and job placement programs across the state. Among the 20 grant recipients are the following examples:

- **Workforce Solutions of Tarrant County** received \$350,000 for the Neighborhood Initiative Strategy project, which serves Tarrant County. The grant provides full-time workforce center staff within two Fort Worth neighborhood community centers to expand work-based opportunities for residents who are 18 years or older. These opportunities include apprenticeships and certifications in topic areas such as:
 - community health worker;
 - certified medical assistant;
 - Commercial Driver License;
 - forklift operator;
 - certified supply chain professional;
 - certified production and inventory management;

- certified fundamentals cook;
- certified sous chef;
- Quick Books;
- Microsoft Certified Excel; and
- Class D Water license.

\$6.3M

Awarded to workforce skills training and job placement programs

- **Valley Initiative for Development Advancement** received \$350,000 for the Rio Grande Valley Healthcare Professional Expansion Initiative project serving residents in Cameron, Hidalgo, Starr, and Willacy Counties. Through partnerships with 13 area hospitals in the Rio Grande Valley, this grant project provides training for certifications and employment in high-demand careers in health care support, licensed practical and vocational nursing, registered nursing, therapy, and health technology.
- **American YouthWorks** received \$350,000 for the YouthBuild: Pre-Apprenticeship for Opportunity Youth project in Bastrop, Blanco, Caldwell, Hays, Travis, and Williamson Counties. The grant provides pre-apprenticeship opportunities for youth between the ages of 16 and 24 who are not sufficiently engaged in employment or education. The project will provide integrated education and training that may include industry-recognized certifications, work-based learning, and guided connections to employment, registered apprenticeships, and postsecondary education and training at no cost to participants.

Workforce Innovation Fund

TWC has dedicated \$1 million in WIOA funding to establish the Workforce Innovation Fund. This fund will empower Boards to develop and implement innovative workforce programs tailored to their specific regional needs. The initiative has been met with considerable enthusiasm from the Boards, who see it as an opportunity to address unique local workforce challenges with creative solutions. Projects selected for funding through this competitive process will be launched and carried out during federal FY 2025.

Industry-Related Initiatives

With over 650,000 Texas employers and three million small businesses, the need for a skilled workforce is greater than ever. TWC is positioned to address this need, helping employers upskill and reskill their current workforces to meet the demands of critical and growing industries. TWC has a long-standing history of engaging with employers in a meaningful way. Together with job seekers and employees, Texas employers constitute one of the pillars of the Texas workforce system.

Texas' strong economic foundation is largely a credit to the diversity and stability of its private-sector businesses. It is vital that TWC and its workforce partners continue collaborating with local employers and economic development entities to equip Texas employers of all sizes with a highly skilled workforce that will keep jobs in Texas and help companies remain competitive in the global marketplace. To that end, TWC and Boards are developing initiatives that serve industry and position Texas for continued economic success.

Texas Industry Partnership

The Texas Industry Partnership Program fosters strategic collaborations between Boards and private employers, corporate foundations, and most 501(c)6 organizations (collectively referred to as “Industry Partners”). This program leverages matching contributions of cash or qualifying expenditures from Industry Partners to provide occupational job training. All collaborations focus on high-demand target occupations identified through local labor market analysis or alignment with one of the governor’s Target Industry Clusters.

In PY 2023, TWC awarded \$775,113 in grants to nine Boards. These funds were utilized to enhance training programs, expand support services, improve skills assessments, and increase capacity through the purchase of necessary equipment and supplies. The program has already provided immediate training opportunities for 1,448 individuals, equipping them with the skills they need to secure promising careers. This program will continue to empower Texans, preparing them to fill future in-demand jobs and contribute to the growth of the state’s economy.

Building and Construction Trades

TWC invested in the future of the building and construction trades through a dedicated workforce development initiative. This initiative assists in providing training in construction and extraction occupations and prepares participants for employment in the building and construction trades. In addition to job training, participants receive employment support, résumé development, and job-seeking-skills coaching.

In federal FY 2023, TWC awarded over \$1.9 million in grants to seven organizations, supporting training programs that lead to industry-based certifications (IBC) and employment in high-demand occupations like carpentry, plumbing, pipefitting, welding, masonry, and electrical work. This funding created training opportunities for 626 individuals. Utilizing an innovative, evidence-based grant-making approach with an outcomes-based payment model, and operating on a new two-year grant cycle, TWC ensures its investments are effective, develop skilled workers, and directly address the needs of the construction industry.

High-Demand Job Training Program

The High-Demand Job Training Program, a partnership between Boards and local economic development corporations, invests WIOA funds and local economic development sales tax funds to provide training in Board-identified target occupations or in occupations in the governor’s Target Industry Clusters. In PY 2023, TWC granted \$2.3 million to 21 Boards. These grants supported program enhancements, supportive services for trainees, improved skills assessments, and expanded capacity through equipment and supply purchases. As a result, 2,812 individuals gained immediate access to training, equipping them with the skills needed for promising careers.

Externships for Teachers

The need to connect skilled workers with good jobs is a high priority for Texas educators and employers. The Externships for Teachers program enables middle and high school teachers to participate in hands-on experiences within various industries, allowing them to develop curriculum that aligns with real-world skills and knowledge. As a result, this curriculum helps students understand and develop the academic and technical skills required to enter the workforce. TWC distributed \$2,050,000 to Boards to support externships in existing and new programs.

This marked the seventh year of the program's success, with teachers entering the fall semester equipped with valuable industry insights. One notable example is a Health Science teacher who completed an externship at a major health care clinic in Texarkana. This experience not only provided the teacher with valuable industry insights to enhance classroom instruction but also created opportunities for students to participate in job shadowing activities at the clinic.

Skills Development Fund

Texas has long cultivated a business-friendly environment and has consistently ranked as not only the Best State for Business but also the Best Place to Start a Business. The state has placed a priority on cultivating a workforce that will continue to attract innovation, significant investment, and job creation.

Accordingly, the Skills Development Fund helps businesses upskill their new or incumbent workforces. This is accomplished by providing customized training opportunities for Texas businesses and workers to increase skill levels, and therefore, the wages of the Texas workforce. The program's success is achieved through collaborations among businesses, public community and technical colleges, the Texas A&M Engineering Extension Service, Boards, and local economic development partners.

The state's investment of more than \$11.5 million in General Revenue in PY 2023 trained nearly 6,500 workers across 28 projects. Since the program's inception, Texas has awarded over \$256 million to upskill over 156,000 individuals.

Health Care

As the state's largest employment sector, health care plays a crucial role not only in supporting public health efforts but also in driving the Texas economy. TWC anticipates that employment in health care occupations will grow 23.9 percent by 2030. To address this growing demand for health care professionals in Texas, TWC has prioritized expanding health care workforce development opportunities.

TWC has launched the Upskill Texas Healthcare Initiative, which provides up to \$2 million in grants to support workforce development in the Texas health care sector. Eligible health care organizations with 100 or more employees may apply for grants ranging from \$150,000 to \$500,000 for training programs focused on patient care occupations. This initiative is particularly beneficial for health care employers seeking to retain skilled personnel and mitigate potential workforce reductions. The grants may be used to support a variety of training needs, including expansion of services, implementation of new technologies, organizational restructuring, and other workforce development strategies.

TWC's three-member Commission approved \$1.5 million for community and technical colleges or ISDs for the purpose of developing capacity in licensed vocational nursing and registered nursing training programs and providing training-related supplies and instructor salary costs.

Additionally, the Commission approved \$1 million for Boards to support paid internships for youth ages 16–24 and adults in private and public hospitals, health care clinics, home health organizations, and skilled nursing facilities. This program is currently under development and will be implemented in federal FY 2025.

Spotlight on Local Health Care Achievements

The significant need for health care workers in Texas is being met through a comprehensive approach. Statewide initiatives are creating a foundation for long-term workforce growth, while localized programs are demonstrating immediate, effective solutions to current shortages. This combined strategy positions Texas to meet the demands of its expanding health care sector.

Addressing a Critical Health Care Personnel Shortage

The Texas Panhandle faces a critical shortage of medical personnel with its hospitals, clinics, and nursing homes struggling to find qualified staff. This shortage leaves patients waiting longer and health care providers feeling overwhelmed. To aid in ending this shortage, Workforce Solutions Panhandle is intervening through their Training Services Program. Recognizing that everyone's needs are different, the staff tailors support to Training Services Program participants accordingly. In fall 2023, the Training Services Program made significant impact in its support of 51 students from three area community colleges. These graduates are now a part of the Panhandle's health care industry and include 14 certified nursing assistants, 18 licensed vocational nurses, 18 registered nurses, and one respiratory care therapist.

Certified Nursing Assistant Apprenticeship Training Program

Workforce Solutions Rural Capital Area partnered with the Marbridge Foundation to launch an innovative Certified Nursing Assistant Registered Apprenticeship Training program. This pioneer program represents a crucial turning point in the region's career advancement and community empowerment approach. This partnership has forged a dynamic pathway for Central Texans to acquire nationally recognized nursing credentials, unlocking a spectrum of promising career prospects within the dynamic health care industry. Health care registered apprenticeships have emerged as a powerful force in workforce development due to their proven effectiveness and adaptability. To commemorate this initiative, a signing day ceremony was held in September 2023 at the Marbridge Campus in Manchaca.

Military and Veteran Support Initiatives

Texas is home to 15 major U.S. military installations (including the Army Futures Command headquarters) and more than 1.5 million veterans. Annually, between 22,000 and 25,000 military service members return to Texas or remain in the state upon exiting military service. This includes Active Duty, Reserves, National Guard, and U.S. Coast Guard transitioning service members (TSMs). These service members benefit from priority of service and TWC programs specifically designed to ease their transition from military to civilian life.

College Credit for Heroes

TWC continues to invest in the College Credit for Heroes (CCH) program, streamlining the path for veterans and service members to enter the Texas workforce. CCH maximizes the award of college credit for military experience, removing barriers to licensing, certifications, and degrees at both the state and national levels, enabling a faster transition from the classroom to a career. Twenty-five Texas colleges and universities have received CCH grants, leading to the development of 91 accelerated curriculum courses. This year, TWC reinforced its commitment with an additional \$589,633 in grants awarded to three IHEs. These grants will fund the development and enhancement of military credit evaluation processes, including a comprehensive system to identify and track student veterans participating in CCH.

Hiring Red, White & You!

Texas is connecting veterans, TSMs, and military spouses with fulfilling careers through Hiring Red, White & You! (HRWY). This statewide initiative brings together leading Texas organizations—including TWC, the Office of the Governor, the Texas Veterans Commission, the Texas Medical Center, and a powerful network of employers—to create impactful employment opportunities. Since 2012, HRWY has connected 137,402 veterans and job seekers to meaningful employment opportunities with 24,462 employers. The hiring events have facilitated 3,487 same-day hires since the initiative was launched.



Veterans Workforce Outreach Initiative

The Veterans Workforce Outreach Initiative serves veterans facing barriers to employment who are not currently receiving support through Workforce Solutions Offices. The initiative facilitates the veterans' successful return to meaningful work by providing comprehensive support, including career assessments, job development and placement, and personalized case management. The veterans also receive crucial support like transportation, housing and utility assistance, mental health counseling, access to medical equipment, food assistance, and financial aid. Each veteran works closely with a dedicated case manager to achieve their career goals.

The Veterans Workforce Outreach Initiative achieved strong overall results, enrolling 476 veterans, providing 599 assessments, and training 476 participants. The program successfully placed 301 veterans in employment, achieving a 93 percent placement rate against an employment target of 324.

Texas Veterans Network

The Texas Veterans Network (TVN) empowers community-based organizations (CBOs) to build strong support networks for veterans. By funding these networks, TVN facilitates collaboration and information sharing among CBOs, the Texas Veterans Commission, and other veteran-serving organizations. This coordinated approach ensures veterans have access to a comprehensive range of services across Texas, regardless of their location.

Substantial progress has been made toward TVN's two-year targets (April 1, 2023, through March 31, 2025). To date, TVN has established a network of 71 organizations, exceeding the pace needed to reach the goal of 100. Similarly, TVN held 184 network-building events and 73 training workshops. Within the Veteran Service Coordination and Referral System, TVN has referred 56,103 veterans to the services they need.

Military to Civilian Employment Program

TWC is investing \$3 million in statewide WIOA funds to launch a dynamic new program empowering TSMs, reservists, and military spouses to thrive in civilian careers. Boards can apply for grants to support this initiative to provide comprehensive employment transition services, skills training, and wraparound support. This includes connecting individuals with civilian employers and apprenticeship opportunities, ensuring a smooth and successful transition to fulfilling civilian careers.

Military Family Support Program

TWC's Military Family Support Program provides military spouses with enhanced job search assistance, skills assessments, LMI, résumé writing services, and interview training. If funding is available, military spouses may receive certification or licensure training in target occupations.

The Military Family Support Program has been funded annually with a \$1 million allocation each federal FY since 2017. Currently, eight military installations throughout the state participate in the program, which has connected military spouses to local business leaders, peers, and career development support programs.

The Military Family Support Program highlighted several successes, including the following:

- A military spouse received grant assistance to enter the Dental Hygiene program at Temple College. The grant provided individualized support services for the duration of the spouse's training. The spouse earned an Associate of Applied Science degree in Dental Hygiene and worked diligently to pass the board exams to become a licensed dental hygienist. The spouse passed their exams and entered employment as a dental hygienist earning \$35 per hour.
- Frequent military moves created a 12-year employment gap for one military spouse. By participating in the Military Family Support Program, this spouse accessed resources such as job referrals, job fair opportunities, and employer advocacy. This support culminated in full-time employment with the Texas Department of Family and Protective Services, where they now work as a CPS Family-Based Safety Services Specialist earning a monthly salary of \$3,816.

For additional information related to TWC Military and Veteran Support initiatives, see the [Report on the Transition from Military Service to Employment 2024](#).

Youth Initiatives

TWC actively invests in youth career exploration programs for middle and high school students. These initiatives cultivate essential skills and broaden students' understanding of diverse career pathways.




Texas Science and Engineering Fair

The Texas Science and Engineering Fair (TXSEF), an annual event sponsored by TWC, ExxonMobil, and various other partners, is a celebration of scientific curiosity and ingenuity. Hosted by the Texas A&M Engineering Experiment Station, the TXSEF attracts approximately 1,200 middle and high school students who showcase their research projects across 21 different science and engineering categories.

Competition is fierce, with awards presented for first through third place in each category, as well as numerous

special awards for both junior and senior divisions. The top finishers in each division vie for prestigious honors: two grand prizes and one best-of-show are awarded in both junior and senior divisions. Furthermore, all top high school



finishers receive scholarships to attend the esteemed Governor’s Science and Technology Champions Academy, while leading junior competitors advance to the national Thermo Fisher Scientific Junior Innovators Challenge. The first-place winners in each senior division category then have the chance to compete in the Regeneron International Science and Engineering Fair (ISEF). Texas has a strong tradition of success in these competitions, consistently producing ISEF winners and demonstrating a commitment to scientific excellence.

Beyond the competition, the TXSEF provides a unique opportunity for participants and their families to immerse themselves in the world of STEM. The annual “A Night at the Zach” event, held the night before the competition, offers an engaging glimpse into campus student research, programs, and exhibits from local businesses and industries. In 2024, this event drew over 6,000 students, families, and teachers, creating a vibrant atmosphere of learning and exploration.

Governor’s Science and Technology Champions Academy

The Governor’s Science and Technology Champions Academy (Academy) is a unique program designed to cultivate Texas’ future STEM workforce. By offering a weeklong residential experience, the Academy immerses high-achieving students in hands-on projects, exposing them to the dynamic career opportunities within STEM fields. This immersion aims to not only inspire students to pursue STEM-related degrees but also to consider building their careers in Texas. The program specifically targets top performers from the high school division of the TXSEF, awarding them scholarships to participate and further their exploration of cutting-edge technologies and research.

The Academy’s impact is evident in the overwhelmingly positive feedback from its 2023 cohort. These highly motivated students, already engaged in STEM through science fairs and robotics competitions, emerged even more enthusiastic about STEM education and careers. The Academy’s success lies in providing a stimulating and supportive environment where students can engage with leading researchers, solidifying their interest in STEM and potentially enticing them to contribute their talents to Texas’ research community. Many of these exceptional individuals, including National Merit Scholars and future attendees of prestigious universities, harbor aspirations that align with Texas’ growth in medicine, engineering, law, and research, highlighting the Academy’s role in nurturing a future generation of innovators within the state.

Texas Interns Unite!

Fostering robust industry connections is key to launching successful careers. The [Texas Interns Unite!](#) network champions the value of internships, connecting interns statewide with both Texas employers and fellow interns. Through the [Texas Internship Challenge portal](#), students can access paid and academic-credit internship opportunities across Texas. Year round, Texas Interns Unite! facilitates virtual and in-person networking events, culminating in the annual National Intern Day with a Texas Twist conference, further strengthening these vital industry relationships.

Next Generation Success

Prestigious competitions like the TXSEF and immersive experiences like the Governor’s Science and Technology Champions Academy collectively demonstrate the state’s commitment to cultivating a skilled and engaged future workforce within Texas. This commitment extends locally to empower young Texans to make informed decisions about their future paths.

Virtual Reality Career Exploration



Workforce Solutions Concho Valley's Career Exploration Program helps students understand their career options and plan paths to achieve their goals. In PY 2023, the program significantly enhanced its educational tools by incorporating virtual reality technology. This innovative approach allows students to experience the physical demands and day-to-day realities of various industries firsthand. For example, students exploring manufacturing careers can virtually operate machinery and understand the physical environment of a factory floor. This immersive experience provides a deeper understanding than traditional classroom instruction, helping students make more informed decisions about their future careers and educational pathways.

Empowering the Next Generation

Workforce Solutions Heart of Texas is empowering the next generation and setting them up for success by providing youth with opportunities to participate in a variety of career exploration and paid work experiences. Their YES! High School Student Welding Internship program provided high school students with paid welding internships that allowed them to gain hands-on welding experience and enhance their classroom learning. In the summer of 2023, 56 youth gained valuable paid summer work experience while earning a combined \$53,293 in wages.

Connecting Students with Careers

The Workforce Solutions of West Central Texas' Work-Based Learning Program brings together different educational and training opportunities for students at participating schools to explore and gain experience in high-demand career fields. In the fall of 2023, students participated in job shadowing with area employers in the health care and manufacturing sectors to gain firsthand insights into workplace practices and operations. Many also participated in a formal interview process to gain skills and pursue possible internship placements for spring 2024. The Work-Based Learning Program successfully served 220 students across six schools and 10 employers.

Learning on the FLY

The inaugural Financial Literacy for Youth (FLY) program was a pilot initiative implemented for 90 eleventh-grade students at Chapel Hill High School by Workforce Solutions Northeast Texas. FLY is a comprehensive career and life-simulation exercise designed to provide students with a practical understanding of financial decision-making. The program immerses participants in a simulated environment where they select a career, receive a corresponding salary, and are tasked with making real-life financial decisions, including housing, transportation, essential expenses, and entertainment. Throughout the simulation, participants encountered unexpected events that mirror the unpredictable nature of real-world finances. The FLY pilot program served as a valuable learning experience, providing students with a hands-on approach to financial literacy, career exploration, and the impact of responsible financial decision-making.

ApprenticeshipTexas

Apprenticeship programs play a pivotal role both in helping Texas employers build their current and future talent pipelines and helping workers progress in their careers and move into better-paying jobs. ApprenticeshipTexas provides outreach, engagement, and technical assistance to prospective employers and other workforce stakeholders, including current Registered Apprenticeship Programs (RAPs) to facilitate the development, implementation, and growth of apprenticeship programs—both US Department of Labor (DOL)-registered apprenticeship and Texas Industry Recognized Apprenticeship (TIRA). TWC achieves this through a variety of federal and state-funded initiatives that support apprenticeship program creation and expansion to provide career-readiness pathways and job-related training.

Through the state's holistic approach, there were 892 RAPs in Texas with over 30,000 active apprentices at the conclusion of PY 2023.

U.S. Department of Labor Expansion Grants

In each round of DOL Apprenticeship Expansion funding since 2017, TWC has successfully pursued grant awards to support the expansion of Registered Apprenticeships in Texas. In 2023, TWC was awarded \$2,196,000 to further this effort. The funding has been used to develop 123 new RAPs and add approximately 11,452 new registered apprentices in Texas.

Texas Industry Recognized Apprenticeship Grant

The TIRA grant program draws on state funding for apprenticeships that meet the immediate needs of Texans. The Texas legislature allocated \$20 million to the TIRA program over the 2024–2025 biennium. These funds serve as the cornerstone of TIRA's success. Further bolstering the program, TWC strategically awards additional funding to address urgent workforce needs arising from natural disasters like hurricanes or persistent skills gaps.

This targeted approach incentivizes private sector businesses to create specialized apprenticeship programs, equipping participants with in-demand skills, industry-recognized credentials, and pathways to higher wages. The combined funding streams thus ensure a resilient and adaptable workforce equipped for the challenges and opportunities of the Texas economy.

\$20M

Allocated to TIRA
program for 2024-2025

Texas Education Code Chapter 133 Apprenticeship Training Program

One of TWC's primary programs in the support of state apprenticeship programs is the Texas Education Code (TEC) Chapter 133 Apprenticeship Training Program (ATP), funded through Texas Legislature General Revenue and WIOA statewide funding. As authorized in TEC Chapter 133 ATP, TWC grants funds to local public educational institutions and apprenticeship committees to support the costs of related classroom instruction in RAPs. In federal FY 2024, a collaborative effort secured \$6.9 million through a blend of funding from the Texas legislature, WIOA statewide, and DOL Apprenticeship Expansion funds to support apprentice training and development. This investment yielded significant results, empowering 9,863 registered apprentices to enhance their skills and advance their careers through robust training programs.

Additionally, the TEC Chapter 133 program provides funding for the following apprenticeship initiatives:

- **Pre-apprenticeship** supports instruction to prepare individuals to enter and succeed in RAPs. Quality pre-apprenticeships must have a documented partnership with at least one RAP that allows participants to enter directly into RAPs.
- **Transitioning Veterans to Apprenticeship** supports nonprofit organizations that provide recruitment and assisted services to facilitate the participation of veterans and TSMs in Texas RAPs.

Additional Apprenticeship Initiatives

Two additional key initiatives, the Critical Skills Initiative and the Healthcare Apprenticeship Initiative, support employers who create or expand RAPs in high-demand fields. These initiatives have made a significant impact, enabling individuals to gain valuable skills and launch careers in critical industries like health care and skilled trades.

- **Critical Skills Initiative:** TWC designated \$6 million in funding to support apprentices in middle-skills careers. This funding assists employers who operate apprenticeship programs to train their workers. To date, these funds have supported 149 apprentices to launch careers as electricians, maintenance technicians, auto body repair technicians, and industrial maintenance mechanics.
- **Healthcare Apprenticeship Initiative:** TWC has invested \$5 million in a health care workforce development initiative. This funding, leveraging resources from WIOA statewide and Apprenticeship Expansion federal grant funds, supports employers in establishing and expanding RAPs for health care occupations. To date, the initiative has facilitated the training and career advancement of 284 apprentices in roles such as registered nurse, licensed vocational nurse, certified nursing assistant, and registered nurse resident.

Local Tech Apprenticeships Innovate Nontraditional Hiring

Austin's booming tech sector, projected to grow 3.2 percent annually (adding approximately 2,160 jobs yearly), presents both an opportunity and a challenge. Outpacing the region's overall 2.2 percent growth rate, the potential for a talent shortage demanded a proactive response. Workforce Solutions Capital Area and Opportunity Austin recognized this and took decisive action, focusing on local workforce development to ensure Austin's continued success.

Their strategy centered on expanding the region's tech talent pipeline. A crucial grant from TWC enabled Workforce Solutions Capital Area to significantly expand its tech apprenticeship program. By April 2024, this initiative had already yielded impressive results. Thirty apprentices were actively participating, receiving invaluable hands-on training and securing entry-level positions with an average starting hourly wage of \$32.93, which is 44 percent above the average hourly wage for Austin's leading industries. This substantial increase in starting wages underscored the program's effectiveness in not only supplying skilled workers to the tech sector but also in creating high-paying opportunities for local residents.



Ending the Middle-Skills Gap

Addressing the demand for middle-skills workers (individuals with an education level beyond high school, but less than a four-year degree) remains a TWC priority. This is a growing need in the workforce, and preparing workers to fill these jobs is crucial to maintaining a healthy economy. According to TWC's LMI department, the number of job listings in Texas for middle-skills occupations exceeded 1 million in 2023. By 2030, a projected total of at least 6.7 million Texans, approximately 43.8 percent of total employment, will be employed in a middle-skills occupation. The programs below will expand TWC's resources for addressing employer demand in these middle-skills occupations.

Lone Star Workforce of the Future Fund

In June 2023, TWC launched the Lone Star Workforce of the Future Fund (LSWF) to address a critical workforce need, filling the growing number of entry- to mid-level jobs in high-demand occupations. Recognizing that over one million Texas job listings in 2023 fell within the "middle-skills" category, and projecting that this sector will comprise nearly 44 percent of the state's total employment by 2030, the Texas legislature appropriated \$5 million to the LSWF for the 2024–2025 biennium. This funding will support public junior colleges, technical institutions, and nonprofit organizations to expand training programs and equip unemployed or underemployed Texans with the skills necessary to meet this significant employer demand.

Rural Training Labs

As part of the workforce strategy for rural Texas, TWC is investing \$1 million in WIOA statewide funds to transform skills training in 229 rural Texas counties. This strategic investment, in collaboration with city or municipal partners, directly addresses critical skills gaps. The core of the initiative is a network of innovative training labs, which are short-term, readily implemented training programs developed through collaborations between Boards, community colleges, and leading training providers. These labs deliver customized solutions to the unique workforce challenges and opportunities of each community, empowering residents with in-demand skills. This is more than funding; it is a proactive strategy to overcome workforce limitations and revitalize rural Texas through impactful, accelerated training.

Middle-Skills Credentialing

TWC launched a significant initiative to address barriers to entry for middle-skills occupations, allocating \$1 million in WIOA statewide reserve funds. This strategic investment focused on supporting job seekers who had completed training through high school Career and Technical Education programs, community colleges, or other training providers under a TWC initiative. The funding, distributed through a competitive grant process to eligible Boards, directly covers the costs of licensing and certification examinations, thereby removing a substantial financial obstacle for aspiring professionals in high-demand fields.

Metrix Learning

TWC is utilizing WIOA and TANF E&T funds to deliver a comprehensive suite of Metrix Learning™ online job readiness and certification support to eligible Texans. Boards refer qualified individuals to Metrix for certification assistance. PY 2023 results are impressive, with nearly 5,000 individuals completing over 5,200 courses, demonstrating significant demand and the program's effectiveness in providing valuable skills and career advancement opportunities.

Texas Credential Library

TWC continues to enhance the [Texas Credential Library](#). The library aligns workforce development with high-demand jobs in Texas and allows users to compare credentials and programs and even seek out pathways for educational or professional advancement. The Texas Credential Library is publicly accessible and contains information on diplomas, certifications, digital badges, apprenticeships, licenses, and degrees offered by public and private universities, colleges, career schools, and career-focused high school courses. Publishing credentials to the Texas Credential Library provides:

- global visibility for education and training offerings;
- the ability to create customized learning pathways;
- easy integration into emerging learning and employment records;
- preservation of historical credential data;
- guaranteed accuracy and up-to-date information; and
- empowerment for learners to make informed decisions.

In federal FY 2023, significant progress was made in expanding access to credential information. Over 7,100 eligible training provider credentials, 117 registered apprenticeships, 118 IBCs, and 927 postsecondary credentials were published, making this crucial data readily available to learners and employers.

Upskilling to Address Skills Gaps

TWC invested \$3 million in WIOA statewide funds, for all 28 Workforce Boards to support:

- upskilling in high-demand occupations; and/or
- training leading to industry-recognized credentials in high-demand occupations.

This strategic investment enabled Boards to partner with employers, colleges, nonprofits, community organizations, other state agencies, and training providers to deliver crucial upskilling and training programs aligned with the needs of their local workforce development areas.

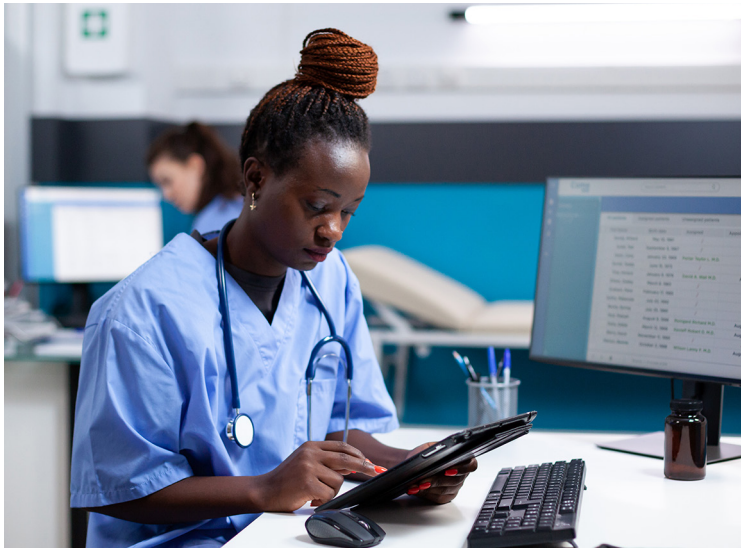
PATHS for Texas

In response to the increased need for talent in the retail industry, Workforce Solutions Gulf Coast has partnered with Walmart to launch an initiative in collaboration with training institutions such as Penn Foster and Houston Community College to provide online skills training programs to launch and accelerate individuals into their retail career. The Pursuit of Advanced Training in High-Demand Skills (PATHS) for Texas program aims not only to upskill retail workers but also provide an opportunity for individuals to explore a career transition to allied health. PATHS for Texas is a comprehensive strategy that addresses the middle-skills gap within the retail industry by providing upskilling opportunities for retail employees, highlighting retail industry transferable skills, leveraging them to impact the Allied Health industry, and bringing together retail sector employer partners to responsively address their specific workforce needs that have a direct impact on competitiveness and their bottom lines.

TRANSFORMING LIVES THROUGH WORKFORCE SOLUTIONS

The Texas workforce system is strong and effective because of dedicated Boards, Workforce Solutions Office staff, and workforce partners that work diligently to improve employment, education, and economic outcomes for the individuals they serve within their local communities. It is through their collective efforts that the Texas workforce system succeeds. Below are a few of the many success stories from around the state.

A single parent of two young children sought assistance to pursue a career in health care. Despite working for years



as a certified nursing assistant, this individual still relied on public assistance to make ends meet. Recognizing their own potential, they enrolled in a licensed vocational nursing program. Their dedication and quick learning impressed instructors, inspiring them to encourage further education as a registered nurse. Throughout this journey, support services provided include training costs, transportation, and child care assistance. The individual was also able to secure a part-time position as a licensed vocational nurse while completing their studies. Eventually, the individual graduated as a registered nurse and now holds a full-time position in a critical care unit, earning \$40 an hour.

An individual pursuing Level I registered nurse training at a local community college faced significant financial challenges while supporting a family of three. Despite receiving a partial Pell Grant and SNAP benefits, the individual sought additional support from their local Workforce Solutions Office's Training Services program. Through a collaborative effort, a support plan was developed, including referrals for financial assistance and other resources. The individual's determination led to an internship at a large health care employer, providing valuable experience and financial support. With this combined support, the individual successfully completed their registered nursing training and secured a full-time position as a registered nurse in an operating room, earning \$30.24 per hour.

An individual sought a career in health care and enrolled in a Workforce Solutions Office's Job Training Services program to pursue a licensed vocational nursing degree. The program provided financial support for tuition, books, and other training supplies, allowing the individual to focus on their studies. With additional support for transportation and job search assistance, the individual successfully completed their training and passed their licensure exam. Upon receiving their licensed vocational nurse credential, the individual secured employment as a home health nurse, earning \$28 per hour.

An individual seeking a stable career to support their family approached their local Workforce Solutions Office for assistance in obtaining their Court Reporting Certification. Having recently faced a layoff from their previous position, they were determined to find a fulfilling and financially secure career path. With the guidance and support of their case manager, they diligently pursued their training at Vernon College, successfully completing the program. They are now thriving as a freelance court reporter, working with three different companies.

A first-time job seeker with several barriers to employment approached a Workforce Solutions Office seeking assistance. At the 2023 Montague County Job Fair, this individual met with a representative from a local pet clinic. Recognizing similar challenges to those faced by their own parent, the clinic representative felt an immediate connection with this individual. The individual is now thriving in their role at the clinic, enjoying the opportunity to work with animals. They built strong relationships with colleagues, and the individual is highly valued by their employer.

An individual, seeking a more stable and fulfilling career, sought assistance from a Workforce Solutions Office for assistance. Recognizing the individual's skills and experience, the Career Services staff utilized WorkInTexas.com to identify a potential opportunity that was a match for the individual's background. With assistance in crafting a résumé, the individual secured an interview and was subsequently offered a full-time position with a comprehensive benefits package. This career change not only provided financial security and stability but also eliminated the need for multiple part-time jobs and reliance on plasma donation.

An individual was introduced to Workforce Solutions while being homeless and unemployed. Although the individual had a vehicle, they were unable to register it due to major mechanical issues. Through the Workforce Solutions Office, they were provided resources toward self-sufficiency, including car repairs. Through assistance with updating their résumé, the individual received an employment offer with Apple, as well as gas cards to travel to work. Ten months later, the individual was earning enough to purchase a home for their family.

An individual graduated high school unsure if they could gain the skills needed to thrive after high school. Their enrollment in the WIOA out-of-school youth (OSY) program at a local Workforce Solutions Office changed their perspective and put them on the path to success through mentoring and training. Throughout their participation, the individual proved to be an exemplary program participant, which led to a work experience placement with a mechanic shop as an equipment operator. The individual's supervisor consistently praised their performance, which led to the individual being hired full-time with the company. Today, the individual stands as a shining example of how the right support and opportunity can transform lives, propelling him toward a future filled with self-reliance and success.



SUPPORTING TEXANS THROUGH DISASTER RELIEF AND LAYOFF ASSISTANCE

TWC played a crucial role in supporting the Texas workforce facing unprecedented challenges in PY 2023. Responding to both large-scale disasters and significant economic shifts, through National Dislocated Worker Grants and its Rapid Response program, TWC was able to provide immediate relief and long-term solutions for dislocated workers and affected businesses.

National Dislocated Worker Grants

In the face of unprecedented challenges, TWC provided vital support to Texas workers impacted by devastating natural disasters and significant economic shifts. A combined \$13.6 million in National Dislocated Worker Grants from DOL fueled this critical response. These funds were instrumental in providing immediate relief and long-term solutions for those whose lives and livelihoods were disrupted. Resources were effectively deployed to assist workers impacted by Hurricane Laura and the Texas Winter Storms, as well as the significant reduction in military forces at Fort Cavazos.

TWC was awarded a total of \$5,620,000 to respond to Hurricane Laura and the Texas Winter Storms. These funds provided temporary disaster relief employment for cleanup services and humanitarian aid. 448 eligible individuals were enrolled and received services as a result of this award.



TWC also received \$8,032,410 in aid to temporarily expand the capacity to serve dislocated workers directly impacted by continuing reduction in military forces at Fort Cavazos. This assistance allowed TWC to serve an additional 1,307 eligible dislocated workers and meet the increased demand for employment and training services to quickly reemploy dislocated workers.

Rapid Response

TWC, in partnership with Boards and Workforce Solutions Offices, provides comprehensive support to businesses and workers affected by layoffs and closures. During PY 2023, Rapid Response (RR) services reached 35,090 workers and 405 employers. These services are critical for mitigating the impact of workforce reductions on individuals, businesses, and communities. Funding for RR is primarily provided through the Boards' WIOA Adult, Dislocated Worker, and Youth formula programs, ensuring rapid and localized response. TWC also maintains a state-level reserve to support Boards with additional needs.



Upon receiving layoff notifications, including those under the Worker Adjustment and Retraining Notification Act (WARN), TWC quickly disseminates information to Boards, facilitating timely transition assistance for affected workers. This support helps connect workers with employment and training opportunities for a swift return to work. Beyond immediate response, TWC and the Boards leverage LMI to develop layoff aversion strategies.

Collaboration is key to the effectiveness of these efforts. Workforce Solutions Offices actively engage RR staff with TWC's Business Service Unit (BSU). This integration leverages BSU resources to align worker skills with employer needs. By fostering positive relationships with businesses throughout the layoff process, TWC and the Boards strategically position themselves to assist with future staffing requirements. Outreach efforts emphasize both the support available during challenging times and the resources available as businesses recover and grow.

IMPROVING WORKFORCE SERVICES THROUGH DATA

The Texas workforce system's success depends on effectively serving its customer groups, engaging its individual members and component organizations, and understanding its data. TWC leverages relevant data and transforms it into actionable information to advance the workforce system's overall efficiency and value.

Customer Service

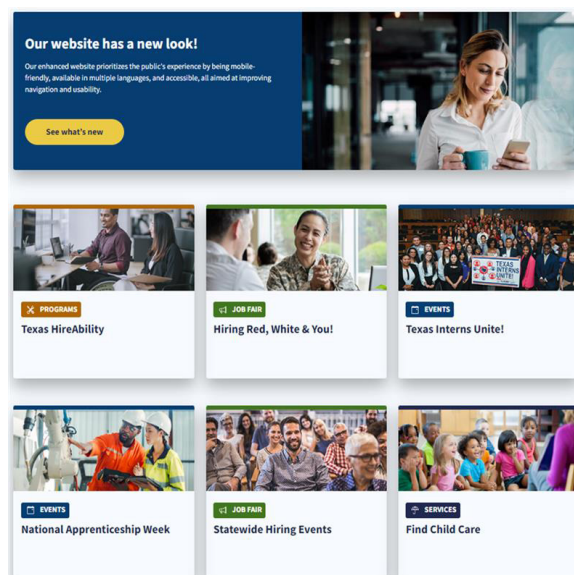
TWC serves the workers, employers, and communities of Texas by providing innovative workforce solutions through an integrated service delivery system. To provide the highest level of service to its customers, TWC conducts continuous research and evaluations to identify successes, as well as opportunities to improve service delivery. By collecting comprehensive customer feedback through a variety of methods, TWC uses data to revise standards and develop initiatives for the benefit of its customers.

TWC's methods to assess customer service include customer service evaluations that provide valuable qualitative feedback. These evaluations provide valuable insight for the agency and highlight opportunities for continuous improvement that enhance service delivery and customer experience and identify duplicative efforts within agency programs. More than 74 percent of surveyed customers indicated they were satisfied with the services they received.

To enhance customer service and streamline operations, TWC launched the Main Door Initiative in March 2023. When complete the project will establish a unified entry point for all agency interactions. Piloting Zendesk, a comprehensive contact center solution, consolidates tools, such as live chat, SMS texting, a self-service knowledge base, chatbot, Customer Relationship Manager, and traditional phone support into a single integrated platform.

This system automatically routes inquiries to the appropriate department, eliminating manual handoffs and ensuring efficient processing. The platform also facilitates consistent quality monitoring, adherence to service level agreements, and automated collection of customer feedback. Moreover, robust reporting capabilities provide valuable performance insights. Early results are promising. Using prewritten responses for frequently asked questions has already increased efficiency by 300 percent, allowing TWC to manage a significantly higher volume of customer requests with greater speed and effectiveness.

TWC's public-facing website, twc.texas.gov, underwent a complete redesign in October 2023. This update aimed to modernize the agency's online presence and enhance customer engagement. The redesign featured a refreshed look, improved search and navigation, and optimized design and content strategies for easier information access. Notably, the website now includes significant mobile-friendly improvements, as the number of users accessing the site via mobile devices or tablets has doubled to over 50 percent. Data collected since the launch shows that frequently sought content is now optimized for



quick access, often requiring only a single user-click. The new website significantly surpasses government standards across key performance indicators. The site boasts a Digital Certainty Index of 92.0/100, exceeding the government standard by 11.5 points. Similarly, accessibility achieved 88.2/100. Finally, search engine optimization performance reaches 92.4/100, exceeding the government standard again by 11 points.

Collaborative Approach to Actionable Operations Research

TWC relies on a variety of analytical and statistical techniques to conduct evaluations, including quasi-experimental techniques and randomized controlled trials (RCTs). Although not as conclusive as RCTs, TWC frequently uses quasi-experimental study designs because they balance rigor with the ability to implement process changes and new initiatives quickly. Additionally, TWC is exploring how machine learning can identify strengths and weaknesses in its programs and suggest improvements to customer service.

To translate evaluation results into systemic improvements and to measure success, TWC has used a blend of Six Sigma, Lean, and Theory of Constraints methodologies for a continuous improvement model called Rapid Process Improvement (RPI). RPI has been used to evaluate dozens of system processes, identify opportunities for improvement, and test the results of implemented changes.

TWC has expanded its continuous improvement model beyond RPI with the introduction of Business Transformation (BT). While RPI focuses on process efficiency and quality, BT addresses systemic issues and limitations, strategically rethinking entire business approaches and value systems to achieve broader, transformational improvements. In PY 2023, TWC began applying BT methodologies to automate, coordinate, and simplify internal processes. Agency evaluations are dependent on analytics infrastructure such as databases, customer-facing visualizations to help spark research questions, and the development of self-service reports to reduce time spent on nonevaluative ad hoc requests.

To conduct program evaluations, TWC collaborates with Boards, partners, and academic researchers on evaluations and participates in federal studies, such as the Workforce Investment Act Gold Standard Study. TWC proactively engages with the Secretaries of Labor and Education on studies that further the research priorities of TWC, Boards, and partners. Additionally, TWC believes that the webinars and regional calls held by DOL and the US Department of Education (ED) provide a valuable avenue to coordinate work and share results between the states and the departments. TWC also plays an active role in the Clearinghouse for Labor Evaluation and Research (CLEAR) community and shares results and best practices with other community members.

Performance Accountability System

TWC supplements WIOA statutory measures to address inconsistencies between the statutory measures and what it considers the statutory vision. For example, although WIOA emphasizes the importance of career pathways, its measures only recognize steps along a career pathway as success for former youth participants. From TWC's perspective, helping a veteran who recently transitioned out of the military or a worker looking for a mid-career change constitutes a significant success, even if the workforce system is not funding the individual's education or training. Therefore, TWC's supplemental WIOA-based measures also identify either employment or educational enrollment in post exit quarters.

Texas also supplemented the statutory employment/enrollment Q4 measures with a Q2–Q4 employment or enrollment retention measure. The measures build as follows:

1. **Employed or Enrolled Q2 Post exit:** What percent of exiters were employed or enrolled in Q2?
2. **Median Earnings Q2 Post exit:** How much were those employed in Q2 earning?
3. **Employed or Enrolled Q2–Q4 Post exit:** Of those employed or enrolled in Q2, what percent were also employed or enrolled in both Q3 and Q4?

See Appendix A for details regarding TWC’s PY 2023 WIOA performance results.

Target Setting

WIOA provides for a two-stage performance target process. DOL develops a statistical model based on the presumed case mix and economic conditions for the performance periods and cohorts. Each state then negotiates a set of initial targets based on these assumptions and other factors. At the end of the year, DOL reapplies the statistical model. For the current reporting year, TWC exceeded 90 percent of the originally negotiated targets across all programs, although DOL and ED have yet to make their year-end adjustments.

Effectiveness in Serving Employers

Together with job seekers and employees, Texas employers are primary TWC customers in the Texas workforce system. Therefore, measuring the success of services provided to employers is important for the state’s economic success.

Data Validation

TWC takes the following four-pronged approach to validating data:

1. TWC’s case management system uses data validation codes to ensure consistent data collection. In this system, field values must meet the required Participant Individual Record Layout (PIRL).
2. TWC’s Subrecipient Monitoring department (SRM) conducts data validation testing for all Boards and AEL grant recipients. Beginning in September 2022, in coordination with the Business Support Section of TWC’s Division of Fraud Deterrence and Compliance Monitoring, SRM developed a dedicated database to capture testing results while allowing TWC to generate testing outcomes by workforce area.
3. TWC performs error-checking audits designed to conform with DOL reporting requirements.
4. TWC’s case management system uses internal data integrity (DINT) functions that allow local system partners to make corrections to data entries while enabling TWC to validate and approve the corrections or invalidate them based on standardized procedures. The DINT process is engaged when edits or corrections are submitted for system entries made in the previous quarter plus 28 days, effectively giving Workforce Solutions Office staff 28 days after the previous quarter to make edits or corrections without the need to submit a DINT request. After that time, any changes to previous quarter entries require validation and approval by designated Board staff. TWC’s Board Service Strategies (BSS) department reviews DINT requests to ensure they are being approved correctly.

Improving Service Delivery

TWC launched a major evaluation project in PY 2023 to refine service delivery; however, the project is currently on hold due to computational constraints. The project's core hypothesis is that service effectiveness varies across different customer groups. Analyzing all customers together masks these variations. To address this, the project will develop statistically similar customer groups based on factors like education, demographics, and work experience, allowing for a more precise analysis of each group's response to individual services. A customer analysis model will then classify customers into these groups, enabling targeted service recommendations. These recommendations will ideally include a prediction of increased likelihood for success. Importantly, this project will enhance, not replace, the expertise of caseworkers and maintain participant autonomy, with recommendations entirely optional. Research indicates that such recommendation engines significantly improve staff efficiency, especially for newer staff, potentially offsetting the impact of staff turnover and associated training costs. TWC plans to resume this project in PY 2024 with the necessary computational resources in place.

Another project, ongoing since PY 2023, investigates the impact of LinkedIn use in job searches. This quasi-experimental study uses the presence of a LinkedIn profile in the Texas labor exchange system, WorkInTexas.com, as a proxy for LinkedIn usage. Positive results could lead to a joint research project with LinkedIn to identify effective LinkedIn strategies.

Vocational Rehabilitation

TWC is engaged in several ongoing evaluations of its VR program. One project nearing completion involves a quasi-experimental evaluation of TWC Project SEARCH's impact on individuals with developmental disabilities. Project SEARCH provides participants with on-the-job experience via three 10- to 12-week paid internships in competitive, integrated employment settings.

The goal is to obtain and retain permanent employment. Common local employers involved in Project SEARCH include hospitals, law firms, and supply chain industries, which offer diverse internships in areas such as office administration,

data entry, assembly and/or packaging, housekeeping, and food preparation. TWC reviewed a sample of 904 individuals divided evenly into Project SEARCH and a VR program comparison group and determined that Project SEARCH participants have an 87.39 percent successful employment rate compared to 60.40 percent for other participants of the same demographic in the VR program. Based on a chi-square test, the result is significant, with greater than 95 percent confidence ($p < 0.001$). TWC also found that Project SEARCH participants enjoyed a greater employment retention rate during Q2–Q4 Post exit than their comparison group peers, with 95 percent confidence (70.35 percent versus 63.27 percent, $p = 0.0238$). TWC did not discover any significant impact on Q2 Post exit Earnings. This study is expected to meet CLEAR's standard for moderate evidence of causality.



Project SEARCH social media post.

Unemployment Insurance

TWC dedicates substantial analytical and evaluation resources to prevent waste, fraud, and abuse within Texas’ Unemployment Insurance (UI) system by developing predictive models used by UI’s benefit payment control and investigative staff. TWC is active within the national UI integrity sphere and supports other states’ efforts by sharing best practices and contributing to the National Association of State Workforce Agencies (NASWA), NASWA’s Integrity Data Hub, and associated workgroups.

WORKFORCE INNOVATION AND OPPORTUNITY ACT WAIVERS

The Texas workforce system and its customers have benefited from DOLETA’s authority to waive certain statutory and regulatory provisions. These waivers have provided TWC and Boards with the flexibility to be more innovative and efficient in delivering workforce services.

On September 20, 2022, DOLETA approved two WIOA waivers regarding the use of individual training accounts (ITAs) for in-school youth (ISY) and local performance accountability and flexibility for Texas for PY 2022 and PY 2023 (July 1, 2022, through June 30, 2024). On February 2, 2023, DOLETA approved a third waiver regarding reallocation of local funds for PY 2022 and PY 2023.

Use of Individual Training Accounts for In-School Youth

This waiver removes the requirement under the WIOA rule at 20 Code of Federal Regulations (CFR) §681.550 that limits the use of ITAs for youth participants to OSY ages 16–24. This allows TWC to extend the use of ITAs to ISY ages 16–21, thus permitting Boards to serve ISY in the workforce area while maintaining a focus on OSY. Boards exercising this waiver have used ITAs to fund training for ISY enrolled in programs such as welding, nursing, HVAC, emergency medical technician, and accounting. This waiver offers the opportunity to significantly assist ISY living in rural workforce areas overcome the unique economic and employment challenges facing rural and often remote Texas communities.

Program Year	Total ISY Participants	ISY Enrolled in Education and Training	ISY Using ITAs	Percentage of ISY in Education and Training Using ITAs
2022	1,070	445	41	9.21%
2023	1,670	539	53	10%

Local Performance Accountability Flexibility

This limited waiver from WIOA §116(c) pertaining to local performance accountability measures for Subtitle B provides TWC with greater flexibility when contracting performance measures with Boards. Through the application of this waiver, TWC will:

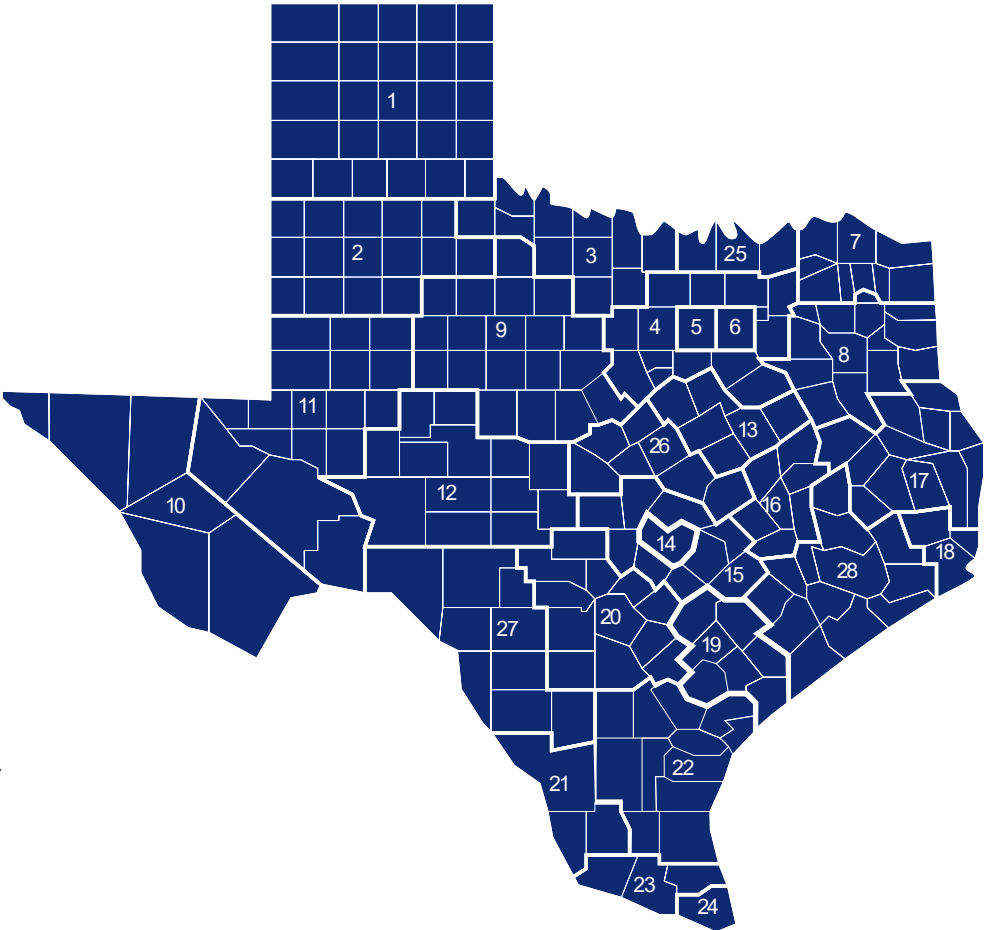
- increase the integration of services to customers;
- evaluate Boards more effectively, promoting accountability; and
- provide Boards with flexibility in implementing Workforce Solutions Offices services.

This waiver provides TWC with continued administrative relief that will remove barriers to coenrollment and promote a more integrated case management system across multiple programs.

Reallocation of Local Funds

Addressing the provisions of WIOA §128(c)(3) and §133(c) and 20 CFR §683.140 regarding reallocation of WIOA funds among local areas, this waiver grants TWC flexibility in redistributing funds that have been voluntarily deobligated. This waiver gives TWC the discretion to consider additional factors in determining local workforce development area eligibility for reallocation of recaptured funds.

- 1. Panhandle
- 2. South Plains
- 3. North Texas
- 4. North Central
- 5. Tarrant County
- 6. Dallas
- 7. Northeast
- 8. East Texas
- 9. West Central
- 10. Borderplex
- 11. Permian Basin
- 12. Concho Valley
- 13. Heart of Texas
- 14. Capital Area
- 15. Rural Capital
- 16. Brazos Valley
- 17. Deep East Texas
- 18. Southeast Texas
- 19. Golden Crescent
- 20. Alamo
- 21. South Texas
- 22. Coastal Bend
- 23. Lower Rio Grande Valley
- 24. Cameron County
- 25. Texoma
- 26. Central Texas
- 27. Middle Rio Grande
- 28. Gulf Coast



CONCLUSION

TWC remains committed to increasing, improving, and innovating the services it provides as it pursues the strategies to achieve its mission. With the continued support of its partners—the governor and the 28 Boards—TWC proudly serves all Texas employers, partners, and job seekers. The Texas Workforce System is to encourage, support and innovate for all Texans.

APPENDIX A: PY 2023 WIOA PERFORMANCE RESULTS

The assessment of state performance (as detailed in TEGL 11-19, Change I), provides three measures of success:

1. No individual measure's performance falls below 50% of target;
2. The Average Percent of Target for a Core Program does not fall below 90% of target; and
3. The Average Percent of Target across programs for a given measure does not fall below 90%

TWC's WIOA Statewide and Local Performance Report shows that in PY 2023, TWC met or exceeded all initially agreed-upon performance targets for WIOA Titles I through IV. The following table, based on the TEGL 11-19, Change I model, demonstrates TWC's achievement of all three benchmarks against these original targets. TWC expects to continue meeting all three criteria even after year-end target adjustments, unless significantly unexpected changes occur.

Measure (across Program (down))	Emp & Emp/Enr Q2 Rate	Emp & Emp/Enr Q4 Rate	Median Earnings Q2	Credential Rate	Measurable Skills Gain	Average % of Target per Program
Adult	107.14%	110.45%	145.46%	98.77%	107.70%	113.90%
DW	98.73%	96.14%	99.56%	106.13%	112.57%	102.63%
Youth	95.42%	99.00%	151.19%	101.17%	116.18%	112.59%
Wagner-Peyser	109.51%	107.14%	119.98%	NA	NA	112.21%
AEL	102.87%	111.13%	126.82%	106.12%	115.58%	112.50%
VR	104.47%	106.49%	127.11%	106.44%	120.91%	113.08%
Average % of Target per Measure	103.02%	105.06%	128.35%	103.73%	114.59%	Blank

The following tables show PY 2023 Performance for all four Titles.

Employed Q2 Post Exit Rate (Employed/Enrolled for Youth)

Program	Numerator	Denominator	Rate	Negotiated Target	Percent of Target
Adult	8,571	11,428	75.00%	70.00%	107.14%
DW	9,766	13,932	70.10%	71.00%	98.73%
Youth	3,763	5,477	68.70%	72.00%	95.42%
Wagner-Peyser	161,236	241,371	66.80%	61.00%	109.51%
AEL	21,352	53,220	40.12%	39.00%	102.87%
VR	11,916	19,599	60.80%	58.20%	104.47%

Employed Q4 Post Exit Rate (Employed/Enrolled for Youth)

Program	Numerator	Denominator	Rate	Negotiated Target	Percent of Target
Adult	7,622	10,300	74.00%	67.00%	110.45%
DW	10,013	14,366	69.70%	72.50%	96.14%
Youth	3,029	4,371	69.30%	70.00%	99.00%
Wagner-Peyser	155,905	230,970	67.50%	63.00%	107.14%
AEL	20,331	48,140	42.23%	38.00%	111.13%
VR	11,767	19,910	59.10%	55.50%	106.49%

Median Earnings Q2 Post Exit

Program	# Employed Q2	Rate	Negotiated Target	Percent of Target
Adult	8,571	\$7,855	\$5,400	145.46%
DW	9,766	\$9,094	\$9,134	99.56%
Youth	3,763	\$4,838	\$3,200	151.19%
Wagner-Peyser	161,236	\$7,559	\$6,300	119.98%
AEL	21,352	\$6,595	\$5,200	126.82%
VR	11,916	\$7,118	\$5,600	127.11%

Credential Rate

Program	Numerator	Denominator	Rate	Negotiated Target	Percent of Target
Adult	2,487	3,449	72.10%	73.00%	98.77%
DW	1,295	1,627	79.60%	75.00%	106.13%
Youth	777	1,280	60.70%	60.00%	101.17%
AEL	4,439	10,202	43.51%	41.00%	106.12%
VR	2,831	5,910	47.90%	45.00%	106.44%

Measurable Skills Gains Rate

Program	Numerator	Denominator	Rate	Negotiated Target	Percent of Target
Adult	3,851	5,297	72.70%	67.50%	107.70%
DW	1,204	1,528	78.80%	70.00%	112.57%
Youth	1,860	2,911	63.90%	55.00%	116.18%
AEL	38,692	74,388	52.01%	45.00%	115.58%
VR	9,618	18,079	53.20%	44.00%	120.91%





101 East 15th Street
Austin, Texas 78778-0001
(512) 463-2222
twc.texas.gov

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).