Workforce Innovation and Opportunity Act Annual Report

Titles I and III, Program Year 2024





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INTRODUCTION

Texas remains the best state in the nation to work, live, and do business. The Texas Workforce Commission (TWC) promotes and supports a workforce system that creates value and offers employers, families, individuals, and communities the opportunity to achieve and sustain economic prosperity. Texas' robust economic growth continued in Program Year 2024 (PY 2024), adding 284,200 Texans to the workforce since PY 2023—a new state record. This record growth opens the door to new opportunities, and TWC is ready with a wide range of programs designed to help Texans thrive in a dynamic and evolving workforce.

As the state's economy expands and evolves, so does the need for a skilled and adaptable workforce. TWC is focused on preparing and connecting workers to in-demand, high-wage jobs while supporting employers with the talent and services they need to thrive. Through comprehensive career education, upskilling and reskilling opportunities, and robust labor market information (LMI), TWC empowers Texans to enhance their employability, increase their earnings, and improve their standard of living. These efforts are guided by the following three strategic goals:

- Ensure the Texas workforce system supports employers and allows business and industry to thrive.
- Ensure a skilled workforce is prepared and equipped to fill critical in-demand jobs, both now and in the future.
- Provide exceptional customer service and support to all workforce system stakeholders.

TWC's vision for the Texas workforce system is rooted in a market-driven approach that engages all customers—employers, job seekers, service providers, educational institutions, and economic development entities—as informed, valued contributors.

Innovating Through Workforce 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 and 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 the 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, Temporary Assistance for Needy Families Employment and Training (TANF E&T), subsidized Child Care Services, Trade Adjustment Assistance, Reemployment Services and Eligibility Assessment (RESEA), ApprenticeshipTexas, 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 local Workforce Solutions Office staff resources and knowledge 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 2024, VR served 94,203¹ customers. At the close of PY 2024, 24 Boards have completed the integration of VR staff within their local workforce development areas (workforce areas), and VR staff have collocated in 105 Workforce Solutions Offices. TWC expects to complete up to seven more office integrations by



Federal Fiscal Year 2026 (FFY 2026). TWC fosters partnerships and initiatives to strategically position the statewide workforce system for full system integration.

Another example is TWC's Adult Education and Literacy (AEL) program that supports upskilling Texans by preparing adult learners to transition into postsecondary education, training, and employment. In PY 2024, TWC implemented a new AEL core provider Request for Applications that resulted in TWC awarding more than \$83 million to 51 grantees to provide support services for more than 70,000 adult learners.

To address Texas' middle-skills gap, TWC integrated labor market data into AEL curricula and prioritized training programs that connect

adult learners to high-demand careers. Targeted strategies were implemented to serve priority populations, including individuals in correctional facilities and internationally trained professionals. Through Integrated English Literacy and Civics education activities and Integrated Education and Training (IET) models, these groups received contextualized education paired with workforce preparation. The Pre-Apprenticeship Bridge Program for Building Trades further expanded IET access, with 98.21 percent of participating students achieving at least one measurable skill gain. Of the 450 individuals targeted through IETs in correctional and reentry settings, 401 had been served at the conclusion of PY 2024.

I Based on RSA-911 reporting methodology

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. The commitment is realized through grants to Boards, institutions of higher education, 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 \$7.3 million to workforce skills training

\$7.3M

Awarded to workforce skills training and job placement programs

and job placement programs across the state. The 22 grant recipients include the following:

- Workforce Solutions Rural Capital Area received \$296,340 for year one of the Rural Pre-Nursing Readiness and Education Program project serving Bastrop, Blanco, Burnet, Caldwell, Fayette, Hays, Lee, Llano, and Williamson counties. The program will create career pathways for participants in licensed vocational, registered, and bachelor of science nursing programs.
- **Volunteers of America-Houston** received \$350,000 for year one of the IGNITE: Empowering Youth through Technology project serving Fort Bend, Harris, and Montgomery counties. The program will serve 250 youth, ages 17–25, and provide training in health care, IT, trades, digital media, and entrepreneurship.
- Workforce Solutions Cameron County received \$350,000 for the first year of the Inspiring New Talent Employment Resource Network program serving Cameron County. This program provides 100 high school or college students with National Center for Construction Education and Research training for certification, degree opportunities, and hands-on training experience.

Workforce Innovation Fund

TWC dedicated \$1 million in WIOA funding to establish the Workforce Innovation Fund, enabling Boards to design and implement workforce programs that address regional needs with creative, evidence-based solutions. In fall 2024, Boards applied for grant funding, and grantees were announced at the 2024 TWC Annual Workforce Conference. During spring 2025, funded projects were developed, including initiatives to integrate artificial intelligence (AI) into regional job search support, establish a workforce innovation ecosystem, and pilot new training models for employees in the construction field. These projects are expected to strengthen local talent pipelines, enhance service delivery, and provide replicable models for workforce innovation across Texas.

ApprenticeshipTexas

Apprenticeship programs continue to 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 U.S. Department of Labor (DOL)-registered apprenticeships and Texas Industry Recognized Apprenticeship (TIRA). TWC achieves this through a variety of federally and statefunded 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 I,004 RAPs in Texas with over 35,000 active apprentices at the conclusion of PY 2024.



U.S. Department of Labor Expansion Grants

Since 2017, TWC has successfully secured a total of \$42.6 million in DOL Apprenticeship Expansion funding to grow RAPs in Texas. In 2024, TWC was awarded \$8.8 million in State Apprenticeship Expansion funding, including \$6 million for competitive expansion activities and \$2.8 million for planning and capacity building. Of the \$6 million in competitive expansion funding, approximately \$3 million was awarded to community colleges, Boards, education service centers, and ISDs to continue developing, expanding, and supporting RAPs statewide. These funds supported the creation of 165 new RAPs, the expansion of 318 existing programs, and the addition of approximately 11,700 new registered apprentices.

Texas Industry Recognized Apprenticeship Grant

The TIRA grant draws on state funding for apprenticeships that meet Texas' immediate needs. The Texas legislature allocated \$20 million to the TIRA program over the 2024–2025 biennium. The 89th Texas Legislature demonstrated its strong commitment to expanding workforce opportunities by allocating \$20 million to continue supporting TIRA, combined with \$10 million to support the broadband industry, for a total of \$30 million distributed over the 2026–2027 biennium. The Legislature also made critical changes to the TIRA legislation that strengthened TIRA,

\$30M

Allocated to TIRA program and broadband industry for 2026-2027

improving a powerful resource for employers. TWC strategically awards TIRA 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 ensure a resilient and adaptable workforce equipped for the challenges and opportunities of the Texas economy.

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 I33 Apprenticeship Training Program (ATP), funded through Texas Legislature General Revenue and WIOA statewide funding. As authorized in TEC Chapter I33 ATP, TWC grants funds to local public educational institutions and apprenticeship committees to support a portion of the costs of related classroom instruction in RAPs. In FFY 2025, a collaborative effort secured \$8.5 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 II,496 registered apprentices to enhance their skills and advance their careers through robust training programs.

For the 2026–2027 biennium, \$9,882,785 was allocated each year to support related classroom instruction, totaling \$19.7 million over the two-year period.

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. In each year of the 2026–2027 biennium, \$2,753,027 was allocated to support pre-apprenticeship initiatives for a total of \$5,506,054.
- Transitioning Veterans to Apprenticeship supports nonprofit organizations that provide recruitment and assisted services to facilitate the participation of veterans and transitioning service members (TSMs) in Texas RAPs. In each year of the 2026–2027 biennium, \$300,000 was allocated to support transitioning veterans to apprenticeship initiatives for a total of \$600,000.

Apprenticeship Tax Refund Pilot Program

TWC offers financial incentives to encourage employer participation in apprenticeship programs. The Apprenticeship Tax Refund Pilot Program provides eligible employers with a refund of paid sales and use taxes of up to \$2,500 for each eligible apprentice. Although employers may hire multiple apprentices, the standard refund applies to only one apprentice per employer. Employers that hire new apprentices from targeted groups, including transitioning or former foster youth, veterans, military spouses, or women, may qualify for refunds for up to six apprentices, provided that at least half of the apprentices are from one or more of the targeted groups.

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 528 apprentices to launch careers as electricians, maintenance technicians, auto body repair technicians, and industrial maintenance mechanics.

• Healthcare Apprenticeship Initiative: TWC has invested \$15 million in a healthcare workforce development initiative. This funding, leveraging resources from WIOA statewide and apprenticeship expansion federal grant funds, supports employers in establishing and expanding RAPs for healthcare occupations. To date, the initiative has facilitated the training and career advancement of 646 apprentices in roles such as registered nurse, licensed vocational nurse, certified nursing assistant, and registered nurse resident.

Manufacturing Apprenticeships Build Pathways to High Wages

Central Texas manufacturers face ongoing shortages of skilled maintenance technicians. To meet this demand, Workforce Solutions Rural Capital Area, Workforce Solutions Capital Area, the Austin Regional Manufacturers Association, and Texas State Technical College launched a DOL-registered apprenticeship program.

This model enables employers to upskill workers through technical training at Texas State Technical College and on-site practice at no cost. Launched at the end of PY 2024 with five employers and I2 apprentices, participants will earn seven Smart Automation Certification Alliance certifications and a journey worker credential. Participants will qualify to earn starting wages of \$28 to \$30 per hour, more than 30 percent above typical entry-level manufacturing wages. This approach strengthens the regional manufacturing workforce and creates sustainable career pathways.

Industry-Related Initiatives

In 2024, the Texas workforce grew by 1.4 percent (or 284,200 more Texans), totaling 15.6 million Texans, a new state record. With this growth comes many opportunities, and TWC is positioned to help employers upskill and reskill their current workforces to meet the demands of critical and expanding industries. TWC has a long-standing history of engaging with employers in a meaningful way, and 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 wide variety 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 FY 2024, TWC awarded \$50,000 in grant funding to Workforce Solutions Gulf Coast 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 4,450 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.



The FY 2024 Texas Industry Partnership Program completed 358 training assessments and enrolled 200 participants, all of whom earned at least one credential. These results highlight the program's ongoing role in strengthening Texas' talent pipeline and preparing workers for high-demand careers.

Building and Construction Trades

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

In FFY 2024, TWC awarded almost \$1.1 million in grants to four organizations, supporting training programs that lead to industry-based certifications (IBCs) and employment in high-demand occupations like carpentry, plumbing, pipefitting, welding, masonry, and electrical work. This funding created training opportunities for 208 individuals. Using 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.

To date, the FFY 2024 Building and Construction Trades program has enrolled 109 participants, with 63 earning an IBC. Additionally, nine participants have already secured employment, demonstrating the program's role in creating tangible outcomes for both workers and employers.

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 2024, TWC granted \$917,997 to eight Boards. These grants supported program enhancements, supportive services for trainees, improved skills assessments, and expanded capacity through equipment and supply purchases. As a result, nearly 4,000 individuals gained immediate access to training, equipping them with the skills needed for promising careers.

As of May 31, 2025, the FY 2024 program enrolled 852 participants, with 602 completing skills assessments, 763 receiving supportive services, and 23 earning industry-based certificates. For FY 2025, TWC awarded six grants totaling \$784,808 to serve 823 participants, with 254 expected to earn certificates.

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. In FFY 2024, TWC invested \$1,317,973 in 11 Boards to bolster externships in existing and new programs.

This marked the eighth year of the program's success, with almost 4,000 teachers entering the fall semester equipped with valuable industry insights. This year, the program introduced an additional requirement for teachers to engage students with a classroom visit from their employer or a field trip to the employer's work site, further enhancing the learning experience. Since the program's inception, an estimated 82,451 Texas students benefitted from lesson plans developed by Externships for Teachers program participants.

Skills Development Fund

Texas has long cultivated a business-friendly environment and has consistently ranked as not only the Best State for Business by Chief Executive magazine, 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 million in General Revenue in FY 2024 trained nearly 6,500 workers across 26 projects. Since its inception, the Skills Development Fund has provided training opportunities in partnership with approximately 4,800 employers to upgrade or support the creation of nearly 420,000 jobs throughout Texas.

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 healthcare occupations will grow 23.9 percent by 2030. To address this growing demand for healthcare professionals in Texas, TWC has prioritized expanding healthcare 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 healthcare sector. Eligible healthcare 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 healthcare 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. This program is currently under development and will be implemented in FY 2025.

TWC's three-member Commission (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. This program is currently under development and will be implemented in FY 2025.

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

Spotlight on Local Healthcare Achievements

The significant need for healthcare 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 healthcare sector.

ApprenticeshipTexas Builds Nursing Pipeline in Moore County

Moore County Hospital turned to ApprenticeshipTexas to address a critical nursing shortage by training and retaining nurses within the community. With TWC support, the hospital is building a sustainable pipeline of qualified staff, improving patient care, and showing how apprenticeships strengthen rural healthcare and workforce readiness across Texas.

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 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. TWC's commitment to expanding the impact of the CCH program continued in July 2023 with a \$589,633 grant award. The funding was split between the University of the Incarnate Word, University of Houston-Clear Lake, and Collin College through the CCH Phase 9 Capacity Building and Sustainability Program, supporting continued innovation and long-term program growth.

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 153,407 veterans and job seekers to meaningful employment opportunities with 26,569 employers. The hiring events have facilitated 3,860 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 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 I, 2023, through March 3I, 2025). TVN has established a network of 105 organizations, surpassing the goal of 100. The initiative has held 272 network-building events and 91 training workshops, both exceeding their respective targets. Within the Veteran Service Coordination and Referral System, TVN has referred 76,645 veterans to the services they need with 62,784 successfully closed.

Military to Civilian Employment Program

TWC invested \$3 million in statewide WIOA funds to launch a dynamic new program empowering TSMs, reservists, and military spouses to thrive in civilian careers. Boards applied 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. To date, six Boards have been awarded a combined total of \$1,397,796 in grant funding for this initiative.

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 FFY 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 had several successes, including the following:

- The spouse of an active-duty service member at Fort Hood participated in the Military Family Support Program
 to start a career in the nursing profession. This grant assisted with tuition, books, uniforms, and fees and
 enabled the spouse to pursue the Licensed Vocational Nursing Program at Central Texas College where they
 demonstrated exceptional performance. The spouse completed the program with honors and in June 2024,
 acquired a nursing license and secured a licensed vocational nurse position, making \$47,976 per year.
- In July 2024, a military spouse preparing to reenter the workforce after seven years of raising a family was connected by the West Central Texas Military Spouse Liaison to the Military Spouse Professional Network. By September, the spouse began working with the liaison on career planning, résumé building, job referrals, and interview preparation. In November, they secured an office manager position at a local hospital.

For additional information related to TWC Military and Veteran Support initiatives, refer to the <u>2025 Report on the Transition from Military Service to Employment</u>.

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. In FY 2024, the program supported 12 senior division finalists to participate in the FY 2025 International Science and Engineering Fair.

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 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 TXSEF high school division, awarding them scholarships to participate and further their exploration of cutting-edge technologies and research.

In PY 2024, Academy scholars spent a week at Southern Methodist University immersed in the life of young researchers. Living in campus dorms, they joined faculty-led teams to explore projects in hardware hacking, medical micromachines, human signal processing, disaster-relief drones, and Al. The week culminated with students presenting their work to peers, families, and guests in an inspiring showcase of discovery and potential in STEM.

In FY 2024, the Academy awarded 52 scholarships to regional science fair division winners. Forty-five of these scholarship recipients completed the Academy.

Texas Intern Network

Fostering robust industry connections is key to launching successful careers. The <u>Texas Intern Network</u> champions the value of internships, connecting interns with both Texas employers and fellow interns statewide. Through the <u>Texas Internship Challenge portal</u>, students can access paid and academic-credit internship opportunities across Texas. The Texas Intern Network facilitates virtual and in-person networking events year-round, culminating in the annual National Intern Day conference, further strengthening vital industry relationships.

Next-Generation Success

Prestigious competitions like the TXSEF and immersive experiences like the 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.

Empowering the Next Generation

Boards such as Workforce Solutions for the Heart of Texas are 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. In the case of Workforce Solutions for the Heart of Texas, their YES! High School Student Welding Internship provided high school students with paid welding internships that allowed them to gain hands-on welding experience and enhance their classroom learning.

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 one 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, technical and 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. More than funding, this proactive strategy is meant to overcome workforce limitations and revitalize rural Texas through impactful, accelerated training.

Through the Rural Training Lab grant, Workforce Solutions Deep East Texas helped deliver a mobile ambulance simulator to the Texas State University System Polk County Center. Partnering with Lamar Institute of Technology, the simulator launched a new EMT program that provides hands-on training and prepares local residents for critical emergency response roles. This initiative shows how Rural Training Lab grants bring high-impact training directly to rural communities and expand access to life-saving career 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 FFY 2024, significant progress was made in expanding access to credential information. The library now features 16,587 credentials, with ongoing collaboration with Credential Engine, to ensure continued growth and relevance. To improve navigation and usability for learners and employers, TWC has also begun curating targeted collections, or groupings, of similar credentials. Currently, five collections are available, which include more than 6,000 eligible training-provider credentials, 116 registered apprenticeships, 310 Texas Education Agency IBCs for Public School Accountability, 1,135 healthcare workforce credentials, and 91 early childhood credentials.

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.

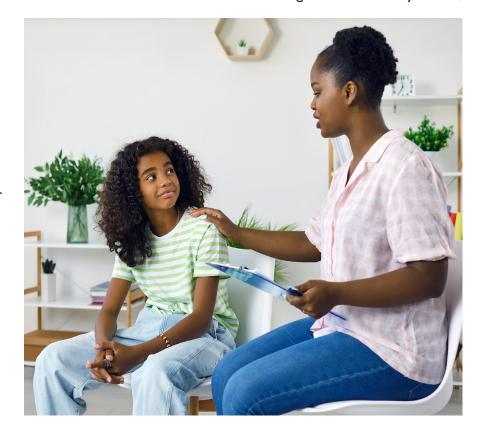
An individual with over a decade of experience in staffing, recruitment, and human resources unexpectedly lost their job and turned to Workforce Solutions East Texas for support. Through the RESEA program, staff helped the individual identify transferable skills, strengthen their résumé, and explore new opportunities. With additional support through the WIOA program, they pursued training and career-advancement options while actively searching for employment. Their persistence paid off when they applied for and were hired as a WIOA Career Navigator at Workforce Solutions East Texas. Today, they are using their expertise and personal journey to empower others, proving that with the right support, setbacks can become stepping stones to success.

An individual came to the Workforce Solutions Panhandle office seeking support through the Youth Training Services program with the goal of becoming a social worker and helping children. Having experienced foster care from an early age, they were determined to attend college and pursue a career that would allow them to make a difference in the lives of others. With the support of Workforce Solutions staff, the individual was placed in a workforce-paid internship that provided hands-on experience and insight into the field of social work, strengthening their commitment to their career path and moving them closer to achieving their aspirations.

An individual came to Workforce Solutions for Tarrant County seeking assistance in turning their passion for cooking into a career. Workforce Solutions staff connected the individual with resources and training at a local culinary school,

providing the support needed to pursue their dream and begin building a career in the culinary field.

An individual was introduced to the WIOA Youth Program after moving to Texas and quickly impressed facilitators at Workforce Solutions Northeast Texas during a job readiness class. Recognizing their potential, staff recommended them for a peer mentor position, where they continue to support and encourage other program participants. While serving as a mentor, the individual is also pursuing a degree in human services to become a grief counselor with the goal of using their own experiences to help others overcome challenges and create positive change.



An individual came to the Workforce Solutions for North Central Texas office determined to overcome barriers to employment and pursue a stable career. Despite the second chance history from more than 15 years ago, they remained focused on creating a fresh start and enrolled in commercial driver's license (CDL) training at a local college with assistance from the WIOA Adult program. Workforce Solutions staff covered training expenses and provided transportation support, allowing the individual to focus on their studies. Upon completing the program, they quickly secured employment as a CDL driver, earning \$18 an hour and building a brighter future for themselves.



An individual came to the Workforce Solutions Northeast Texas office seeking to build a better future for their family. As an out-of-school youth, they enrolled in radiology technician training with support from Workforce Solutions, which provided assistance with tuition, transportation, and child care. Through hard work and determination, the individual completed the program and secured full-time employment as a radiology technician earning \$28.70 per hour—a life-changing increase from their previous highest wage of \$9.50 per hour—which greatly improved their family's financial stability.

SUPPORTING TEXANS THROUGH DISASTER RELIEF AND LAYOFF ASSISTANCE

TWC plays a crucial role in supporting the Texas workforce facing unprecedented challenges. 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

Texas faced a challenging year in 2024, grappling with significant impacts of severe weather events. From the devastating force of Hurricane Beryl to widespread spring storms and flooding, these natural disasters have necessitated substantial recovery efforts across numerous counties. A combined \$4.1 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 Beryl, and the Texas severe storms, straight-line winds, tornadoes and flooding.

TWC was awarded a total of \$2 million to respond to Hurricane Beryl. These funds provided temporary disaster relief employment for cleanup services and humanitarian aid in 25 Texas counties. As a result of this award, 95 eligible individuals were enrolled and received services.

TWC also received \$2,062,090 in initial emergency dislocated worker grant funding for cleanup and recovery activities in 27 counties affected by severe storms, straight-line winds, tornadoes, and flooding that began April 26, 2025. This funding also enables TWC to provide temporary cleanup and recovery jobs and associated training. To date, the Spring Storms and Flooding Disaster Recovery program has enrolled 110 participants, all of which are receiving career services. Seventy of those enrolled have been placed in temporary disaster relief employment, 13 have received training services, and 39 have received support services.

In addition to the National Dislocated Worker Grants in response to weather events, TWC was awarded \$1,076,684 in funds to assist workers impacted by layoffs at the Tesla Gigafactory in Austin, Texas. The grant provided employment and training services to help these dislocated workers improve their employability, increase their earnings, and find new jobs quickly. The resulting program has enrolled 63 participants, 58 of which have received career services. Twenty-four of those enrolled have received training services, and 50 have received support services.

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 2024, Rapid Response (RR) services reached 35,079 workers and 540 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 (WARN) Act, 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 Office Business Service Unit (BSU)

staff actively engage TWC Rapid Response staff to assist business and workers affected by layoffs and closures. 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.

One example of a successful Rapid Response effort occurred following a WARN Notice issued by a global manufacturer and distributor of windows and doors, located in Coppell, Texas. The WARN Notice was received on March 3, 2025, with an anticipated layoff date of April 28, 2025, impacting 56 employees. Workforce Solutions Greater Dallas conducted a leadership huddle to coordinate an on-site orientation for the affected workers. As a result, an on-site orientation was held on March 27, 2025. The orientation included support in English, Spanish, and Burmese, along with representation from WIOA and AEL programs to ensure faster service connections for dislocated workers. Following orientation, employees had access to a private, on-site job fair with eight employers and additional support services, including résumé writing workshops and interview coaching seminars, helping them take immediate steps toward reemployment.

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 surveys that provide valuable qualitative feedback. These surveys 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. In 2024, a total of 222,196 people were surveyed, with an average response rate of 2.8 percent. For PY 2023, 66 percent of respondents indicated they were satisfied with the services they received. In December 2024, the satisfaction rate was slightly higher at 68 percent.

To further enhance service delivery and meet evolving customer expectations, TWC launched Project No Wrong Door, an initiative that was designed to create an intelligent entry point for all customer interactions and reenvision customer service delivery throughout the Texas Workforce Solutions system. This modern customer relationship management (CRM) model will ensure every Texan receives seamless, personalized, and timely support. The CRM will include an intuitive knowledge base that is capable of providing answers to Texans regarding programs, services, and other agency functions, 24 hours a day, year-round. The strategy is to build a system that is not only efficient and integrated but also intuitive, responsive, and centered entirely on the needs of the job seekers and employers we serve.

The No Wrong Door solution will include a suite of targeted technologies such as customer relationship management, interactive voice response, chat, SMS texting, self-service portals, email, and application programming interface connectivity. Real-time dashboards and analytics will provide insight into service patterns and outcomes, allowing for ongoing monitoring, evaluation, and adaptation to better serve the public.

A three-tiered support model comprising customer service representatives, ombudsmen, and subject matter experts will facilitate issue resolution at the appropriate level while enhancing programmatic oversight and efficiency.

Through these efforts, TWC continues to build a more accessible, responsive, and data-driven service environment, ensuring that Texans receive the highest standard of customer service and support.

For additional information related to TWC Customer Service, refer to the <u>Customer Service Report 2023–2024</u>.

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 2024, TWC continued 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. TWC also proactively engages with the Secretaries of Labor and Education on studies that further the research priorities of TWC, Boards, and partners. TWC believes that the webinars and regional calls held by DOL and the U.S. 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, which build as follows:

- I. 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 2024 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 for available measures except for Adult Median Wage Q2 post exit (87 percent) and Dislocated Worker Measurable Skills Gain Rate (87 percent); Youth measures have not been reported yet. Moreover, 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 five-pronged approach to validating data:

- I. TWC's case management systems use data validation codes to ensure consistent data collection. In this system, field values must meet the required Participant Individual Record Layout.
- 2. TWC's Subrecipient Monitoring department conducts data validation testing for all Boards and AEL grant recipients.
- 3. TWC performs error-checking audits designed to conform with DOL reporting requirements.
- 4. TWC's WorkInTexas.com and Texas Educating Adults Management System use 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 department reviews DINT requests to ensure they are being approved correctly.
- 5. TWC applies internal quality control procedures for reporting, as outlined in the TWC Analytics and Evaluation Handbook. These procedures include independent verification of final code and results by additional staff, comparison with published data to ensure the accuracy of key measures, and retention of run logs and related documentation for error review, auditing, and future reference.

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 exploring this project in PY 2025.

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 (CIE) 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.

The ongoing study, covering program years 2020–2022, compares outcomes for 500 Project SEARCH participants and 500 comparable VR participants. Despite challenges posed by the COVID-19 pandemic, Project SEARCH participants achieved a success rate 17.6 percentage points higher than the comparison group. They were also 1.4 times more likely to reach successful closure, which is defined as maintaining CIE for at least 90 days before exiting the VR program. Analysis of retention rates, which measure employment during the second through fourth quarters after program exit using unemployment insurance (UI) wage records, is still underway. However, preliminary results further support the program's positive impact. An earlier study covering FFYs 2015–2019 also showed stronger outcomes for Project SEARCH participants with success and retention rates of 87.4 percent and 70.35 percent, compared to 60.4 percent and 63.27 percent for the comparison group. Together, these studies are expected to meet CLEAR's standard for moderate evidence of causality.

Unemployment Insurance

TWC dedicates substantial analytical and evaluation resources to prevent waste, fraud, and abuse within Texas' UI benefits and tax systems. Eligibility fraud, ID fraud, and fictitious employer detection is conducted through the development of predictive models used by 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.

Employment Through RESEA

Per Wagner-Peyser Act §7(a), Workforce Solutions Offices provide UI claimants with essential job search assistance while administering the UI work test and conducting eligibility assessments. RESEA is central to this effort.

RESEA services include enrollment of UI claimants in Wagner-Peyser Employment Service (ES), development of an individual employment plan, delivery of customized LMI, one-on-one unemployment benefits eligibility assessments, and orientation to the full range of workforce resources. These activities provide tailored support to claimants while strengthening the integrity of the UI system by identifying and reducing improper benefit payments.

This integrated approach ensures claimants receive timely, individualized guidance to return to work quickly while maintaining accountability in the UI program. RESEA is more than a one-time appointment. It is designed to build an ongoing partnership with claimants, offering continued engagement, coaching, and access to training and job opportunities to promote long-term reemployment.



From Appointment to Achievement

A claimant who initially arrived at the Workforce Solutions Office expecting only to complete a mandatory appointment instead encountered a team dedicated to supporting their long-term success. Staff provided résumé development assistance, tailored labor market information, and enrollment in employment services. More importantly, staff maintained ongoing engagement with the claimant beyond the initial meeting by establishing attainable goals, addressing barriers, and fostering confidence throughout the job search process. Through this consistent support, the claimant enhanced their skills, gained momentum, and ultimately secured sustainable employment. This experience demonstrates how RESEA functions as a critical bridge back to the workforce.

WORKFORCE INNOVATION AND OPPORTUNITY ACT WAIVERS

The Texas workforce system and its customers have benefited from the U.S. Department of Labor Employment and Training Administration's (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 May 30, 2024, DOLETA approved the following three WIOA waivers for Texas covering PY 2024 and PY 2025:

- A waiver to allow the use of individual training accounts (ITAs) for in-school youth (ISY), ages 16-21
- A waiver of the performance requirements allowing the state to modify the performance measures used to negotiate Board performance, effective through June 30, 2028
- A waiver of the reallocation provisions permitting Texas to use state-developed criteria for reallocating recaptured funds among workforce areas, also effective through June 30, 2028

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, heavy and tractor-trailer truck drivers, and dental assistants. 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
2023	1,355	626	60	10%
2024	1,099	689	75	11%

Local Performance Accountability Flexibility

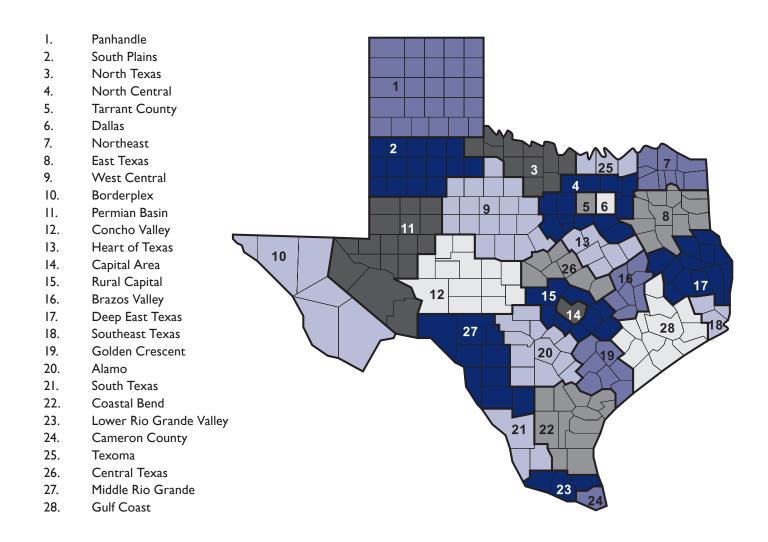
This limited waiver from WIOA §116(c) pertaining to local performance accountability measures for Subtitle B provides TWC with greater flexibility when contracting performance measures with Boards. Through the application of this waiver, TWC will:

- 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 workforce-area eligibility for reallocation of recaptured funds.



CONCLUSION

TWC remains steadfast in its mission to advance economic opportunity by fostering a skilled, adaptable, and resilient workforce. Through innovation, collaboration, and a commitment to continuous improvement, TWC and its 28 Boards are equipping Texans with the training, services, and support needed to thrive in a dynamic economy. By aligning resources with industry demand, expanding opportunities for individuals with barriers to employment, and enhancing service delivery through technology and data-driven strategies, the Texas workforce system continues to strengthen communities, support employers, and prepare Texans for the jobs of today and the future.

APPENDIX A: PY 2024 WIOA PERFORMANCE RESULTS

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

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

TWC's WIOA Statewide and Local Performance Report shows that in PY 2024, TWC met or exceeded all initially agreed-upon performance targets for WIOA Titles I through IV. The following table, based on the TEGL II-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%	99.23%	91.08%	90.85%	113.90%
DW	98.73%	96.14%	99.23%	92.53%	70.69%	102.63%
Youth	95.42%	99.00%	109.49%	102.24%	102.05%	112.59%
Wagner-Peyser	109.51%	107.14%	97.39%	NA	NA	112.21%
AEL	90.58%	97.07%	124.50%	127.09%	140.33%	115.91%
VR	104.47%	106.49%	112.53%	124.08%	113.73%	113.08%
Average % of Target per Measure	103.02%	105.06%	128.35%	103.73%	114.59%	N/A

The following tables show PY 2024 Performance for all four Titles.

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

Program	Numerator	Denominator	Rate	Negotiated Target	Percent of Target
Adult	9,881	12,609	78.40%	75.90%	103.29%
DW	2,871	3,677	78.10%	75.60%	103.31%
Youth	4,297	5,960	72.10%	74.30%	97.04%
Wagner-Peyser	151,026	226,328	66.70%	66.80%	99.85%
AEL	24,531	63,131	38.86%	42.90%	90.58%
VR	11,797	19,803	59.60%	60.00%	99.33%

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

Program	Numerator	Denominator	Rate	Negotiated Target	Percent of Target
Adult	9,095	11,849	76.80%	76.40%	100.52%
DW	2,459	3,079	79.90%	77.90%	102.57%
Youth	4,062	5,645	72.00%	75.20%	95.74%
Wagner-Peyser	136,707	203,702	67.10%	67.50%	99.41%
AEL	22,304	56,034	39.80%	41.00%	97.07%
VR	11,386	19,664	57.90%	58.80%	98.47%

Median Earnings Q2 Post Exit

Program	# Employed Q2	Rate	Negotiated Target	Percent of Target
Adult	9,881	\$8,061	\$8,468	95.19%
DW	2,871	\$10,802	\$10,886	99.23%
Youth	4,297	\$5,365	\$4,900	109.49%
Wagner-Peyser	151,026	\$7,570	\$7,773	97.39%
AEL	24,531	\$7,095.96	\$6,350	124.50%
VR	11,797	\$7,290	\$6,478	112.53%

Credential Rate

Program	Numerator	Denominator	Rate	Negotiated Target	Percent of Target
Adult	2,712	4,083	66.4%	72.90%	90.08%
DW	951	1,280	74.30%	80.30%	92.53%
Youth	657	1,280	54.80%	53.60%	102.24%
AEL	4,891	10,997	44.48%	35.00%	127.09%
VR	2,783	5,516	50.50%	40.70%	124.08%

Measurable Skills Gains Rate

Program	Numerator	Denominator	Rate	Negotiated Target	Percent of Target
Adult	4,040	6,165	65.5%	72.1%	90.85%
DW	1,232	2,191	56.2%	79.5%	70.69%
Youth	1,720	2,656	64.8%	63.5%	102.05%
AEL	35,814	65,436	54.73%	39%	140.33%
VR	11,711	19,903	58.8%	51.7%	113.73%





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