

## **Self-Evaluation Report**



Submitted to the Sunset Advisory Commission September 2025

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# TEXAS WORKFORCE INVESTMENT COUNCIL Self-Evaluation Report

#### I. Agency Contact Information

#### A. Please complete the following table.

### TEXAS WORKFORCE INVESTMENT COUNCIL Exhibit 1: Agency Contacts

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**Table 1 Exhibit 1 Agency Contacts** 

#### II. Key Functions and Performance

Provide the following information about the overall operations of your agency. More detailed information about individual divisions and programs will be requested in Section VII.

#### A. Provide an overview of your agency's mission, objectives, and key functions.

The Texas Workforce Investment Council (Council) is specified in both state and federal workforce development law and regulation and ensures Texas has a coordinated, accountable workforce system that delivers measurable results for employers and workers. The Texas Legislature created the Council in 1993 and mandated that the Council promote the development of a well-educated, highly skilled workforce for Texas and advocate for an integrated workforce system that provides quality, relevant services that address the needs of Texas businesses and workers. Both state and federal law charge the Council with assisting the Governor and the Legislature with strategic planning for and evaluation of the Texas workforce system. The Council serves as the state workforce development board (state board) as required under the federal Workforce Innovation and Opportunity Act of 2014 (WIOA). A history is included to ensure that several important features in the creation and development of the Council are considered.

#### <u>Brief History of the Establishment of the State Workforce Investment Board</u>

The Workforce and Economic Competitiveness Act of 1993, 73<sup>rd</sup> Texas Legislature, established the Council as a Human Resource Investment Council under the Job Training Partnership Reform Amendments of 1992. The federal Workforce Investment Act of 1998 (WIA) replaced the Job Training Partnership Act and required the Governor of each state to establish a State Workforce Investment Board for the state to receive federal funds under WIA. Because of the significant workforce system reform initiated by the Texas Legislature in 1993, WIA and WIOA contain provisions that allow Texas to retain—or grandfather—major elements of its workforce system

that are consistent with WIA, now WIOA, including the Council's composition and roles. Without the Council, Texas would risk noncompliance with WIOA and jeopardize federal funding that supports workforce services across the state. This excerpt from the history of the Council provides additional information on the grandfather clause:

Consistent with the Council's purpose and duties, then Governor Bush designated the Council as the State Workforce Investment Board under the federal Workforce Investment Act of 1998 (WIA) in early 1999. Texas was one of six states to fully implement WIA on July 1, 1999, one full year ahead of schedule. The Council maintains its composition and duties under WIOA through a grandfather clause in the law that allows Texas to retain specific elements of its workforce development system established under previous consistent state workforce legislation. As a result, the duties assigned to the state workforce investment board under federal workforce law—WIOA, are implemented consistent with those grandfathered roles and are adapted to be consistent with the Council's roles under state legislation enacted before WIA.

This early adoption underscored Texas' leadership nationally in workforce system innovation and integration. The Council was established as the State Workforce Investment Board and continues as the state workforce board under WIOA. As a result, the duties assigned to the state board under WIOA are implemented in a manner that is consistent with the Council's role under state legislation enacted before WIOA.

Accordingly, the Council does not operate programs, nor does it directly manage the flow of state and federal funding to the system's state agencies. Rather, the Council's mission is strategic, and its functions are guided by the duties and responsibilities established for the Council by the Texas Legislature, including the redesignation of local workforce areas.

Under WIA, state boards were charged with promoting the restructuring of the fragmented mix of federal employment, training, and education programs into a comprehensive workforce development system that is both customer-driven and results-oriented. Texas' approach to this restructuring improved state flexibility and established, through partnership with local communities and the private sector, a state-based system with locally designed service delivery. Like other states, the Texas workforce development system is composed of workforce programs and initiatives across several state agencies. The advancements led by the Council over its history point to its essential role in the successful implementation of both state and federal workforce law and regulation and in continually leading innovation in the workforce system of Texas.

#### **Texas Workforce System**

In Texas, the Council is the only entity in the state that is charged with and able to conduct strategic planning and evaluation across the eight agencies and 23 workforce programs the workforce system comprises. Because the Council does not operate programs, its neutral position enables it to convene agencies and system stakeholders and to act as a system collaborator to assist state agencies and system partners to focus collectively on system planning, improvement, and capacity-building. This neutral role also ensures agencies are held accountable for results while reducing duplication, improving efficiency, and strengthening outcomes for businesses and workers.

The Texas workforce system is composed of over 20 programs that are administered by eight state agencies and 28 local workforce boards, as well as independent school districts, community and technical colleges, and local adult education providers. Workforce system partners include the:

- Office of the Governor (OOG) Office of Economic Development and Tourism (EDT);
- Texas Health and Human Services Commission (HHSC);
- Texas Association of Workforce Boards;
- Texas Department of Criminal Justice and its Windham School District (TDCJ-Windham);
- Texas Education Agency (TEA);
- Texas Higher Education Coordinating Board (THECB);
- Texas Juvenile Justice Department (TJJD);
- Texas Veterans Commission (TVC); and
- Texas Workforce Commission (TWC).

#### **Primary Functions of the Council**

The scope of the Council's work is "workforce development," which is defined in the Council's state statutes as "workforce education and workforce training and services." Workforce education includes articulated career path programs and the constituent courses of those programs that lead to a sub-baccalaureate license, credential, certificate, or degree.

State statute assigns the duties and responsibilities of the Council. These are summarized under five primary functions in the Texas workforce system:

- 1) strategic planning and capacity-building,
- 2) evaluation and performance measurement,
- 3) research and continuous improvement,
- 4) review of state and local workforce plans to recommend approval by the Governor, and
- 5) administer the Texas skills standards system.

The composition, powers, duties, and administrative arrangements of each state board differ according to the structure designated by the Governor of each state under WIOA. State boards also differ in their degree of operational responsibility. Some states, like Texas, have determined that their state boards will be largely responsible for system strategic planning and evaluation and have assigned most programmatic responsibilities to the appropriate state operational agency. Other states have designated their state boards to carry significant operational responsibilities in addition to their responsibilities for system planning and evaluation.

As the state board, the Council exercises its system oversight role by participating periodically in federal agencies' program reviews. For example, in the past, the Council has participated in program reviews and site visits conducted by the U.S. Department of Labor (DOL) Region IV Office, DOL Office of Inspector General, Rehabilitation Services Administration, and the U.S. Department of Education, Office of Career, Technical, and Adult Education. It has previously participated in a fact-finding and review meeting conducted by the Organization for Economic Cooperation and Development.

The Council serves as a strategic advisory body, assisting the Governor in planning, evaluating and improving an integrated workforce development system for Texas. Because strategic planning and evaluation are essential to developing, maintaining, and continuously improving a high-performing system, the Council does not foresee a time when its strategic mission will be accomplished, and these primary functions will no longer be needed. Indeed, given Texas' economic growth and rate of industry and job creation, the Council's mission to ensure that workforce development in Texas remains coordinated, accountable, and responsive to the needs of Texans and Texas businesses has never been more important.

# B. What clear and ongoing objective(s) do the agency's key functions serve? Explain why each key function is still needed.

Texas is a national leader in population growth, as well as in business, industry, employment, and economic expansion—competing internationally—and is now considered the eighth-largest economy in the world. Rapid expansion and economic changes continue to fundamentally change the labor market and the demand for highly skilled workers with higher levels of education attainment, industry-based certifications, and other training credentials. In Texas, workforce development continues to be an essential part of a state's economic growth strategy. Given its unique strategic role, the Council acts as convenor, facilitator, system-builder, planner, evaluator, and advisor, where possible, and therefore, remains important to the state's ability to coordinate and focus system partners on common state goals. Without the Council's strategic role, workforce development efforts in Texas risk becoming fragmented, duplicative, and less accountable, reducing the system's ability to deliver results for taxpayers, businesses, and workers.

The domains of education, workforce, and economic development must work more strategically than before to take advantage of the unprecedented level of innovation taking place in the state and to make Texas a leading competitor in the global economy, while also building a high-quality of life for its citizens. By 2031, 72 percent of jobs will require some type of postsecondary education—whether academic or technical. Employment outcomes directly improve the state's return on investment; therefore, workforce strategies must keep pace as industries in Texas continue to diversify and pursue disruptive technologies. Workforce productivity can advance more efficiently when adaptable education and training programs prepare new and incumbent workers with current skill requirements. The Council's functions advance and support these ongoing demands of the workforce system so that the workforce and its system partners can adapt more readily to the needs and changes of the economy and labor market in Texas. The Council ensures that these strategies translate into measurable system performance, helping Texas maintain its competitive edge while maximizing return on investment in workforce programs.

The Council is charged in both state and federal law with making important recommendations to the Governor, following a) review of local workforce plans, b) review of member state agency plans, c) review of the state plan for submission to the U.S. DOL, and d) review of requests for redesignation of workforce development areas. In this external oversight role, the Council is distinct from the eight workforce system agencies and their local providers, meaning, as a neutral

entity, the Council can provide unbiased recommendations on plans and requests. This function also ensures Texas' continued compliance with federal WIOA requirements, protecting access to critical federal funding. The alignment of local and state agency partner strategic plans with the workforce system plan supports the strategic planning, evaluation, system research, and review functions of the Council and improves workforce system performance. The key functions will be discussed in more detail in Subsection H and remain indispensable as Texas navigates rapid economic growth and technological change.

C. Does your agency's enabling law continue to correctly reflect your mission, objectives, and approach to performing your functions? Does statute present any barriers or gaps in authority for your agency to carry out its mission? If so, please describe.

Overall, the Council's enabling state and federal law correctly reflects its mission, key functions, powers, and duties since the Council derives its mission, function, and duties directly from state and federal mandates, which are mirrored in the Council's approach to performing these functions. The statute provides an adequate foundation for the Council's work and supports its continued role as the state workforce board under WIOA.

As previously addressed, workforce development is continuously evolving to meet the needs of industry and populations served by workforce programs and services. In recent legislative sessions, bills name councils, advisory committees, and workforce development programs for developing industries, strategies, and initiatives that do not require consultation or reporting to the Council and may introduce gaps in system planning. Such gaps risk duplication, inefficiency, and fragmented strategies that can weaken system accountability and outcomes. In some cases, initiatives involve system partners, such as in the cases of the Texas Tri-Agency Workforce Initiative and Industry-Based Certification Advisory Council. The Council may have opportunities to monitor activity through its evaluative functions; however, other recent examples, such as the advanced nuclear energy workforce development program (SB 1535, 89-R) and task force on modernizing manufacturing (SB 2925, 89-R), may introduce gaps in system planning and performance. Both cases highlight the limitations of excluding the Council. Consideration of the Council's role in strategic planning, evaluation, and monitoring in creating these initiatives may help the state avoid gaps in workforce system planning and reporting. By integrating the Council's strategic planning and evaluative role into future initiatives, Texas can strengthen the alignment of its workforce programs and ensure workforce investments deliver maximum impact.

D. Have you recommended changes to the Legislature to improve your agency's operations in recent years? If so, briefly explain the recommended changes, whether they were adopted, and if adopted, when.

Previous Self-Evaluation Reports (SERs) from the Council discussed recommendations to improve Council functions, but there is no other known record of recommendations being made to the legislature. The previous SER recommendations include the following:

#### 1. Texas Skill Standards (TSS)

In the 2013 SER, Council staff discussed the administrative inefficiencies of staffing Texas Skills

Standards Board's (TSSB) and suggested that the board had essentially fulfilled its mandates in statute. The recommendation was adopted and the Council's sunset bill, HB 1606 of the 84<sup>th</sup> Legislature, transferred TSSB's powers and duties to the Council, effectively abolishing TSSB.

Council staff continue to implement the TSS program and report on the skills standards in the Council's annual evaluation report. Consideration should be given to the Council's role and responsibilities in the development and maintenance of skill standards. See Section IX: Major Issues, Issue Number One, for more information on the current status of TSS.

#### 2. Funding Formula for the Automated Follow-Up and Evaluation System and Report

In the 2013 SER, Council staff discussed the Council's requirement to develop and recommend to the Governor for approval, a funding formula for agencies' contributions to the Automated Follow-up and Evaluation System and report administered by TWC under Texas Labor Code Subchapter E, Chapter 302. The administration of this requirement is inefficient. Staff noted that the Council mandate requiring it to establish and maintain the Automated Follow-Up and Evaluation System and analyze each workforce program by occupation and training provider was inconsistent with current practice. See more information on the current state of the follow-up system under Section IX: Major Issues, Issue Number Two.

# E. Do any of your agency's functions overlap with those of another local, state, or federal agency? If so, how do you coordinate to avoid duplication of efforts? Explain if, and why, each of your key functions is most appropriately placed within your agency.

The Council is the only entity designated to assist the Governor and the legislature with strategic planning and evaluation for the state's workforce system. This centralization ensures accountability, reduces duplication, and aligns local and state workforce plans to maximize system effectiveness. Additionally, the Council, designated as the state workforce development board under WIOA, is required by federal law. The Council avoids duplication or conflict with the responsibilities of its member and partner agencies by ensuring that it focuses on its mandated responsibilities and its strategic role in the workforce system. Additionally, the Council avoids involvement in the operational and administrative detail assigned to the agencies. This action is aligned to the strategic imperatives in both state and federal workforce development law and regulation. Within this unique strategic role, the Council acts as convenor, facilitator, systembuilder, planner, evaluator, and advisor. Furthermore, this strategic placement ensures compliance with federal WIOA requirements and positions the Council as the state's central authority for workforce system alignment.

#### F. In general, how do other states carry out similar functions?

In accordance with WIOA, each state has a state workforce development board charged with assisting the Governor with planning, evaluation, system development, and review. These boards have existed for almost 30 years, authorized under previous federal legislation and include human resources investment councils, state workforce development boards/councils, state job training coordinating councils, and other similar state-level policymaking or advisory bodies. Most state workforce boards are composed of representatives from business and labor; secondary and postsecondary education; community-based organizations; relevant state labor,

education, economic development, and human services departments and agencies; key constituency groups; and state or local elected officials. Typically, state workforce boards oversee federally funded workforce development programs, including the employment service, WIOA, vocational education, and adult basic education. In addition to these federal programs, many state boards oversee state-funded workforce initiatives, enhancing the connection between federal and state efforts. Though most serve in an advisory role, many boards promote, facilitate, and enable state-level collaboration among workforce development programs. The most common responsibilities of state boards include:

- identifying workforce needs,
- reviewing services and the use of funds,
- conducting broad-based planning, and
- developing standards and measures to evaluate workforce development programs.

Many state workforce boards are chaired by private sector leaders, and many have a majority of private sector members. The boards, therefore, provide a key forum for employers and labor to contribute to the oversight and governance of state workforce development systems. In addition, several state boards are chaired or co-chaired by the lieutenant governor. In many states, the boards guide major crosscutting workforce initiatives that require high-level state agency collaboration and substantive employer input, such as developing broad, collaborative workforce strategies as the basis for economic development initiatives.

Many boards have also spearheaded or advanced state workforce development reform initiatives by championing:

- Broad-based strategic planning. Bringing relevant stakeholders together and taking all parts
  of the workforce development system into account, state boards have developed goals,
  objectives, and strategies across agencies and programs.
- More efficient use of resources. State boards have worked to improve efficiency by encouraging the elimination of duplication and overlap in existing programs, encouraging blending of available resources and implementing evidence-based practices and decision making.
- Improved service delivery. State boards have improved service delivery by fostering collaboration and integration among the representative agencies and institutions and streamlining referral processes across programs to improve access for eligible job seekers, incumbent workers, employers, and its other customers.
- Results-based accountability. State boards have spearheaded the development of resultsbased accountability measures for the workforce system.
- <u>Increased employer involvement</u>. State boards serve as a forum for employer input so that the needs of employers are addressed throughout the workforce development system.

The composition, powers, duties, and administrative arrangements of each state board differ according to the structure designated by the Governor of each state under WIOA. These differences may also depend on whether the state chose to grandfather the composition and, in some instances, the roles of their state board under allowable provisions of WIOA. Texas is one such state and the Council reflects best practices nationwide while retaining a unique focus on

system-wide strategic planning and evaluation, avoiding the operational overlap seen in some other states.

State boards also differ in the degree of operational responsibility. Some states have determined that their state boards will be largely responsible for system strategic planning and evaluation and have assigned most programmatic responsibilities to the appropriate state operational agency. Other states have designated their state boards to carry significant operational responsibilities in addition to their responsibilities for system planning and evaluation. Texas' approach ensures Texas maintains compliance with WIOA while leveraging the Council's strategic position to maximize system efficiency and statewide workforce outcomes.

# G. Discuss any changes that could impact your agency's key functions in the near future (e.g., changes in federal law or outstanding court cases).

- 1. WIOA, as previously indicated, plays a large role in national and statewide workforce development efforts. WIOA was first enacted in 2014 for a six-year period, expiring in 2020. Although not officially reauthorized, many of WIOA's programs continue to operate under federal appropriations. Since its expiration, several attempts have been made to reauthorize the act, most recently in 2024 with *A Stronger Workforce for America Act (H.R. 6655)*. In addition to reauthorizing WIOA, H.R. 6655 would have focused on supporting workforce development for targeted populations, improving employer engagement, and expanding skills development programs. Ultimately, however, H.R. 6655 did not pass, leaving WIOA reauthorization in limbo. Any reauthorization or restructuring of WIOA would require the Council to reassess statewide strategies and ensure coordinated responses to maintain system effectiveness.
- 2. The Council is also aware of pending federal budget proposals with the potential to affect workforce agencies and programs in Texas. The U.S. President's FY 2026 budget proposal includes provisions to significantly cut funding for several programs in the Department of Labor (DOL) and consolidate many federal skills training grants and initiatives under one program named Make America Skilled Again (MASA). MASA would intend to give states greater flexibility in the use of federal workforce funds. The program would also stipulate that at least 10 percent of these funds went toward apprenticeship. Changes to federal funding and program structures would require the Council to adjust strategic oversight and system evaluation to ensure Texas continues to maximize federal resources effectively.
- 3. H.R. 1 of the 119<sup>th</sup> Congress, or "An Act to provide for reconciliation pursuant to title II of H. Con. Res. 14," is expected to bring additional changes to the workforce system from the federal level. The legislation, which was signed into law on July 4, 2025, creates the Workforce Pell Grant program. The program seeks to provide grants to students enrolled in workforce training programs between eight and 15 weeks long that lead to an industry recognized postsecondary credential. This program begins July 1, 2026. The bill also redefines the type of qualified higher education expenses that are eligible for coverage with a 529 education savings account. The bill broadens the definition of postsecondary credentials to include various other recognized credentials such as occupational or professional licenses and certificates from registered apprenticeships. The Council's role

in system-wide planning and evaluation will be critical to integrating these new federal initiatives into the Texas workforce system efficiently.

The Council is not aware of any outstanding court cases that impact its key functions. The Council will continue to monitor state and federal updates for any policy developments that could impact the Council or the Texas workforce system.

# H. Overall, how does the agency monitor and measure its effectiveness in carrying out its functions and objectives?

The Council does not operate programs, and, given its non-agency status and small size (12 full-time equivalents (FTE), it does not measure performance for the office itself. However, the Council does serve as the state workforce board under WIOA and as a strategic advisory body in state law. Accordingly, the Council does measure the effectiveness of the workforce system through review of local and state workforce plans, assessment of program outcomes, annual evaluation reports, and performance metrics across system partners.

The Council's five primary functions in the Texas workforce system, as follows, will be addressed in this section with emphasis on the monitoring and evaluation of system alignment to improve performance. Through these five key functions, the Council maintains a robust, system-wide approach to monitoring and evaluation that ensures the Texas workforce system is responsive, data-driven, and capable of meeting current and future workforce needs.

The Texas workforce system is a complex structure composed of numerous programs, services, and initiatives administered by the Council's system partners, which are responsible for the delivery of a wide range of workforce education and training programs and related services, as well as education programs that support career preparation and advancement. System partners include state agencies, local workforce development boards, independent school districts, community and technical colleges, and local adult education providers.

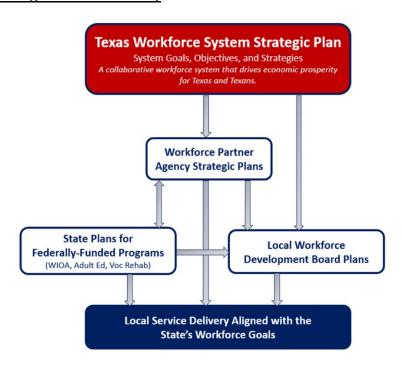
#### **Key Function 1: Strategic Planning and Capacity Building**

TGC §2308.104 specifies that the Council, as a strategic advisory body, develop a single strategic plan for the state's workforce system. The strategic plan must include goals, objectives, and performance measures for the workforce system and the state agencies that administer workforce programs. State statute also directs the Council to develop and implement immediate and long-range strategies to address problems identified within the workforce system, which are included in the current system plan. *Accelerating Alignment: Texas Workforce System Strategic Plan for Fiscal Years 2024–2031* was approved by the Council and subsequently the Governor in September 2023. Upon approval by the Governor, as is required under TGC, the formal measures included in the system plan become part of the state's performance budget and accounting system and apply to each state agency that administers a workforce program. State statute also requires workforce partner agencies that administer workforce programs and services to align the agency's strategic plan with the workforce system strategic plan. The current system strategic plan takes this further by establishing longitudinal data across agencies through the less formal

measures, specific to key strategies in the plan, to support capacity building, performance evaluation, and goal achievement. This strategic alignment ensures that workforce programs are coordinated across agencies and local boards, maximizing impact and improving outcomes for Texans across the state.

To measure system performance and monitor implementation of each successive strategic plan, Texas requires system alignment of agency and local plans, as illustrated below, to support annual performance evaluation. The system goals, objectives, actions, and measures found in the Texas workforce system strategic plan should be incorporated into the strategic plans of the partner agencies that administer workforce programs and the local workforce boards that provide workforce programs and services. The required plan alignment ensures that state strategies are implemented throughout the workforce system and allows the Council to monitor system performance over time.

#### Monitoring System Alignment and Activity



The required alignment of workforce partner agency and local workforce development board plans support system alignment and the delivery of integrated workforce services. TGC §2308.101 and §2308.104 require the Council to evaluate the effectiveness of the workforce development system and to annually report to the Governor and legislature on the implementation of the workforce system strategic plan, as encompassed in the Council's annual evaluation report. The Council's review of partner agency and local strategic plans for alignment to the workforce system strategic plan fulfills these two Council duties.

#### 1. Agency strategic plan review

TGC mandates that, upon approval of the system strategic plan by the Governor, each agency administering a workforce program will use the system plan when developing the agency's

strategic operational plan. Agency plans should align with the long-term objectives outlined in the current system plan as well as the performance measures negotiated with the Council and approved by the Governor. The Council conducts a biennial review of agency strategic plans to ensure that the system goals, objectives, actions, and measures found in the Texas workforce system strategic plan are incorporated into the strategic plans of the partner agencies that administer workforce programs. Partner agencies include TDCJ–Windham, TEA, THECB, TJJD, TVC, and TWC. The two other partner agencies, EDT in the Office of the Governor and HHSC, do not operate workforce programs or services and are not subject to this requirement. The partner agency plans were reviewed in September 2024.

#### 2. Local board plan review

The Council is charged in state and federal law with recommending to the Governor approval of local board plans as required under the WIOA of 2014 (Public Law 113-128) and TGC. WIOA requires that boards set priorities for and oversee the local workforce development area and develop and submit a comprehensive four-year local plan consistent with the WIOA state plan to the Governor. WIOA also requires boards to submit modifications to the local plan at the end of the first two-year period to update information due to changes in the labor market, economic conditions, or other factors.

TGC §2308.304(b) requires local boards to develop a local plan that includes goals and objectives that are consistent with statewide goals, objectives, and performance standards in the workforce system strategic plan. The Council recommends to the Governor for approval all local plans, including plan modifications, that are deemed consistent with the state plan by TWC and that are confirmed to demonstrate alignment with the system strategic plan by the Council.

Local board plans apprise the Council—and, with the Council's recommendation, the Governor—of system alignment with the strategic plan goals, including program implementation, strategic initiatives, and innovative practices. Four-year local board plans were last approved in June 2025.

#### 3. State plans for federally funded programs

As the state board, the Council is charged with approval of the state plan required under WIOA. WIOA requires the Governor to submit a state plan to the U.S. Department of Labor (DOL) that will outline a four-year plan for the workforce investment system in order to receive WIOA formula funding and also requires modifications to the plan at the end of the first two-year period to reflect changes in the labor market or economic conditions. The Texas Combined State Plan under WIOA (PY 2024–PY 2027) was approved by the Council and Governor in February 2024. The Council will consider the two-year modification in February 2026.

#### 4. Strategic Opportunities

In its latest system strategic plan, the Council recognized that Texas' economic position, increasing job creation, and high employment demand present both unique challenges and opportunities for the state's workforce system that require the consistent attention of system partners and stakeholders throughout the plan period. Therefore, the Council identified three

strategic opportunities that envision a desirable future state to engage system partners and leverage existing efforts. These opportunities focus on collaboration for effective employer engagement, inclusion of Texans with barriers, and use of data to support investment decisions. The strategic opportunities for system partners are:

- 1. Engage Employers Meaningfully: Coordinate across agencies to gain insight into the needs of employers and minimize "asks" that burden employers.
- Include and Improve Outcomes for All Texans: Engage Texans with diverse needs, such as veterans and people with disabilities, by designing programs and supports that address their needs, maximize outcomes, and improve career opportunities.
- 3. Generate Greater Return on Investments: Use data and evidence to identify and target strategic investments to improve system performance.

#### Measuring System Effectiveness and Plan Implementation

#### 1. Formal measures

TGC §2308.104(c) requires that a formal measure, after approval by the Governor and Legislative Budget Board (LBB), becomes part of the state's performance budget and accounting system and applies to each state agency that administers a workforce program. Formal measures are included in agency legislative appropriation requests and may or may not be specified as key measures. The measures meet the statutory requirement for the Council to conduct performance measurement by developing and maintaining a comprehensive system of data gathering and reporting. As required by statute, program-level data are submitted to the Council by the six partner agencies that administer 23 workforce programs focused on education, workforce, and workforce training services. A list of all the programs with associated formal measures as reported by partner agencies is provided in the annual evaluation report.

The formal measures used by the Council and its partner agencies to monitor progress of the system were approved by the Governor in the current workforce strategic plan, *Accelerating Alignment: Texas Workforce System Strategic Plan for Fiscal Years 2024–2031*, following Council action in September 2023. The four formal measures include educational achievement, entered employment, employment retention, and customers served. A formal measure is required to be reported to the Council if it is determined to be a significant, intended outcome for a workforce program. These system measures cross workforce programs and establish responsibility for outcomes or outputs that are central to the system's success.

State statute requires the formal measures to be generally consistent across workforce programs, and due to this consistency, the Council's annual evaluation has provided a longitudinal, system-wide perspective on the impact of partner agencies' programs and services for over 20 years. Definitions and methodologies for the formal measures were first negotiated with agencies in 2004. Since then, this process has become a crucial requirement to system evaluation that ensures consistent data are reported across system strategic plans and throughout the implementation of each plan period. In 2023, to achieve a higher degree of consistency when aggregating data across programs, the Council negotiated with system

partners to streamline the details of documenting formal measures by formalizing a consistent template for tracking information on the measures. The templates for the formal measures were submitted to the LBB on November 1, 2023.

#### 2. Less formal measures

TGC §2308.104(d) requires partner agencies to provide information essential to the implementation of the workforce system strategic plan, as demonstrated by the less formal measures. Less formal measures are attached to each long-range strategy in the eight-year workforce system strategic plan. Less formal measures provide data on the effectiveness of an agency's actions and activities relative to a system strategy to accomplish the related system objective and, ultimately, the goal.

Accelerating Alignment: Texas Workforce System Strategic Plan for Fiscal Years 2024–2031 is the first strategic plan to align agency outcomes for system strategies. This allows the Council to aggregate data, measure outcomes, and compile longitudinal data for the strategies for the duration of the plan period. The agencies followed the same process and format used to the develop the definitions and methodologies for the formal measures to ensure consistent reporting on the less formal measures. This strategic alignment ensures that workforce programs are coordinated across agencies and local boards, maximizing impact and improving outcomes for Texans across the state.

#### **Key Function 2: Workforce System Evaluation and Performance Measurement**

Guided by Accelerating Alignment: Texas Workforce System Strategic Plan for Fiscal Years 2024–2031, system partners work collaboratively to ensure Texas has a workforce that effectively supports industry growth and productivity leading to success in the dynamic global economy.

TGC §2308 requires the Council to monitor the state's workforce system. The Council addresses this responsibility by preparing an annual system evaluation report for submission to the Governor and the legislature on system progress and the degree to which the system is achieving system goals and objectives in the workforce system strategic plan. The evaluation includes an analysis of system performance based upon the formal and less formal performance measures approved by the Governor. The 2024 evaluation report was the Council's first system evaluation under the current eight-year system strategic plan.

The evaluation report is the Council's key product that evaluates system performance. It does not duplicate reports required by the Legislative Budget Board (LBB) or other federal or state agencies with funding or oversight responsibility for a given workforce system program(s). The following elements are incorporated into the annual system evaluation report:

- Formal and Less Formal performance measures
- Implementation of the system strategic plan, Accelerating Alignment, including agency action plan updates and findings from the review of partner agency and local workforce board plans
- Adult education action and achievements

- Work development programs that focus on welfare to work initiatives
- Skills standards system

In addition to system performance and plan implementation reporting, the Council requests information and provides required updates on the activities and implementation of adult education and literacy, welfare to work programs, and skill standards.

#### Adult education evaluation

TGC §2308.1016 requires the Council to evaluate adult education and literacy services administered by the TWC. The annual workforce system evaluation report contains program outcomes for WIOA Title II and a program report section related to this charge.

Workforce development programs that focus on welfare to work initiatives

Welfare to work initiatives aim to assist welfare recipients with barriers to employment find and retain jobs. TGC §2308.101(14) requires the Council to report annually on work development programs that focus on welfare to work initiatives.

#### Texas Skills Standards System

According to TGC §2308.109, the Council must provide advice to the Governor and the Legislature on the development of a statewide system of industry-defined and industry-recognized skill standards and credentials for all major skilled occupations that provide strong employment and earnings opportunities in this state and require less than a baccalaureate degree.

#### **Key Function 3: Research and Continuous Improvement**

WIOA directs the Council to advocate for an integrated workforce system that provides quality, relevant services that address the needs of Texas businesses and workers. In addition to long-range strategic planning, TGC §2308.101(8) directs the Council to encourage, support, or develop research and demonstration projects designed to develop new programs and approaches to service delivery. It also requires the Council to monitor the operation of the workforce system to assess the degree to which the system is effective in achieving state and local goals and objectives, thereby meeting the needs of its customers.

To support strategic planning, policy decision making, and program improvement, the Council uses two primary approaches in carrying out these charges: system initiatives and the publication of research reports. Examples under the previous plan include research that defined and identified middle-skill STEM occupations in the state and system initiatives that engaged system partners in task groups to define and support the early implementation of incorporating industry-based certifications as an outcome of education and training programs and to introduce evidence-based practices into grantmaking programs. The Council also produces research reports to inform members, and to support planning, service delivery, and implementation of the

workforce system strategic plan. Please see Attachment 5 for a list of Council studies and reports. The attachment contains hyperlinks for easy access to the publications.

#### Demographic Study of Essential Workforce Populations in Texas

To support its agency partners in the implementation of its system plan, the Council has produced a series of demographic reports that focus on populations that may be eligible for workforce programs and services. The reports inform Council members and system stakeholders about key characteristics of the populations in the nation, state, and 28 local workforce board area. Populations include mature workers, people with disabilities, veterans, youth, institutionalized populations, and those eligible for adult education services.

#### Research on Emerging Issues, Workforce Trends, or Evaluative Studies

The Council periodically produces ad hoc reports to inform members and system partners about evolving workforce development needs, issues, and opportunities. Some research serves to recommend or influence instrumental change in the workforce system, while other research helps system partners better serve key stakeholders, such as recent profiles on apprenticeship, education and training in carceral institutions, and vocational rehabilitation programs. The Council is currently working on an update of a study conducted in 2008 on the regional economies of Texas, a profile of career and technical student organizations, and a statement of work to determine the state of skill standards. Previous reports include a *COVID-19 Labor Market Update* (2021), *The Gig Economy in the U.S.* (2017), and *Understanding the Need for Nurses in Texas: Defining the Skills Gap* (2019).

The *Survey of Texas Employers* (December 2015) supports Texas' employer driven workforce system. The Council first assessed employer satisfaction to identify system improvements needed by employers in August 2000. Since that time, the Council has conducted five employer surveys in 2001, 2002, 2004, 2006, 2008, and 2015. The results of the surveys were distributed to system stakeholders and agency partners. Administered by the Public Policy Research Institute at Texas A&M, the most recent report addressed concerns expressed by employers about skills and qualifications perceived to be missing in the labor market in Texas.

#### **Key Function 4: Review of State and Local Workforce Plans**

In addition to meeting statutory requirements, as previously discussed, the review of state and local workforce plans ensures system alignment with state goals and provides the Council with insight that informs system research, demonstration projects and initiatives, and guidance of system partners in the delivery of workforce programs and services.

#### 1. Combined State Plan

WIOA requires the Governor of each state to submit a four-year workforce investment state plan to the U.S. Department of Labor (DOL) and as mentioned previously, state law requires alignment of workforce plans with the system strategic plan. While TWC is the lead agency in developing this plan, the Council assists the Governor with approval of the WIOA Combined State Plan (CSP).

Upon approval by TWC, the CSP is submitted to the Council for consideration. Given the Council's review and endorsement, the CSP is delivered to the Governor for approval and submission to DOL for final approval. Since its last Sunset Self-Evaluation Report, the Council has reviewed and recommended to the Governor for approval State Plans or modifications in 2014, 2016, 2018, 2020, 2022, and 2024.

#### 2. Local Board Plans

The Council is charged by TGC §2308.101(5) with reviewing local workforce development board plans (and plan modifications) and recommending them to the Governor for approval. Local workforce development boards are required to adopt a single plan for local service delivery that includes both strategic and operational components. The local plan must include a strategic component that sets broad goals and objectives for all workforce development programs in the local area consistent with system goals, objectives, and performance standards. The Council's review ensures alignment with the goals and objectives in the workforce system strategic plan. Since its last Sunset review, the Council has reviewed and recommended to the Governor for approval local workforce board plans or modifications in 2003, 2005, 2006, 2007, 2009, 2011, 2013, 2015, 2017, 2019, 2021, 2023, and 2025.

#### 3. Agency Strategic Plans

TGC §2308.104(g) requires agencies with workforce programs to use the workforce system strategic plan to develop the agencies' strategic plans. Each biennium the Council submits, through the OOG, guidance that directs an agency on key elements of the plan that will demonstrate alignment with the workforce system strategic plan. Since 2006, the Council has reviewed its workforce system partner agencies' biennial strategic plans for alignment. In even-numbered years, the Council's annual system evaluation report contains a section on the findings of this alignment review.

#### 4. Requests for Redesignation of a Local Workforce Area

The Council recommended the criteria for and designation of Texas' local workforce areas to the Governor in the 1990s and is responsible under TGC §2308.101(3) for recommending to the Governor the redesignation of local workforce areas. From January 1996 through its last Sunset Self-Evaluation Report in 2013, the Council considered requests for redesignation from seven local workforce development areas and made subsequent recommendations to the Governor. Since 2013, the Council has considered one request for redesignation from a local workforce development area in 2016 and made subsequent recommendations to the Governor.

In 1995, the Council approved a Workforce Development Redesignation Policy to communicate the process and criteria by which the Council would review requests for redesignation. In December 1999, to conform to requirements under WIA, the Council approved two rules that further detail the process to be followed by the Council in considering a request or proposal for redesignation and in addressing an appeal of a Council recommendation. These rules are published in the Texas Administrative Code, Title 40, Part 22, Chapters 901.1 and 901.2 and were last reviewed and approved by the Council in June 2024.

#### **Key Function 5: Texas Skill Standards System**

Industry skill standards define the skills and knowledge to prepare workers for many middle-skill occupations and serve as a foundation for technical education programs. The Council's policy to recognize workforce education programs provides an incentive for community and technical colleges to use skill standards. According to TGC §2308.109, the Council must provide advice to the Governor and the Legislature on the development of a statewide system of industry-defined and industry-recognized skill standards and credentials for all major skilled occupations that:

- provide strong employment and earnings opportunities in this state; and
- require less than a baccalaureate degree.

In performing this duty, the Council is required to:

- validate and recognize nationally established skill standards to guide curriculum development, training, assessment, and certification of workforce skills;
- convene industry groups to develop skill standards and certification procedures for industries and occupations in which standards have not been established or adopted and recognize the skill standards and certification procedures;
- review the standards developed by other states and foreign countries and enter into agreements for mutual recognition of standards and credentials to enhance portability of skills; and
- promote the use of standards and credentials among employers.

Council-recognized standards are composed of six elements:

- 1. critical work functions
- 2. key activities
- 3. performance criteria
- 4. academic skills and knowledge
- 5. employability skills and knowledge
- 6. occupational skills and knowledge

Three elements describe the work done in the occupation, including the key activities performed by workers, which can be translated into student learning outcomes. The performance criteria provide the standard for the key activities and can be used to develop student assessments. There are also three worker-oriented requirements, which include the academic, employable, and occupation-specific skills and knowledge required to do the work. This skill standards content is a tool for industry to communicate its work standards and worker skill and knowledge requirements to colleges.

Colleges wanting the Council's approval must integrate industry-defined skill standards into their program curricula. To be approved for this program recognition, colleges must follow three requirements:

- 1. teach the key activities as learning outcomes and test students' ability to perform them;
- 2. incorporate all the work- and worker-oriented elements into the curriculum; and
- 3. submit an application that provides critical information and documents compliance with the requirements.

Program recognition is valid for three years and expires on December 31 of the given year.

In the following table, provide information regarding your agency's performance measures, including outcome, output, efficiency, and explanatory measures. See Exhibit 2 Example. Please provide both key and non-key performance measures set by the Legislative Budget Board and any other performance measures or indicators the agency tracks. For any particular measures the agency has not been able to meet, please explain or provide context as needed about why.

Given the Council's non-agency status and small size (12 FTEs), it does not track performance measures for the office itself. As previously explained, the Council reports performance measures for the workforce system as a whole but not for the Council itself because it does not operate programs. Therefore, this table is not applicable.

I. Please list all "mission critical" data resources (e.g., spreadsheets, databases, IT systems, and cloud-hosted applications) your agency maintains to collect, track, or display agency program data. By "mission critical," we mean the main systems necessary for the day-to-day functioning of core and/or client-facing agency functions and services. Please do not include any statutorily required data collection upon which agency funding is contingent but which does not impact daily program functionality. As a companion to the list below, please provide additional information on each data resource using the template provided for Attachment 21 in that section of the instructions.

The Council does not utilize data resources like the ones described in its day-to-day functions because the Council does not operate its own Information Technology or related services. Therefore, the table is not applicable.

J. Does the agency use any analytics software or platforms to collect, store, transform, or analyze agency data?

### TEXAS WORKFORCE INVESTMENT COUNCIL Exhibit 4: Data Analytics Platforms

Analytics Platform	Associated Data Resource(s)
R Studio	U.S. Census Bureau Datasets
Arc GIS Pro	Bureau of Labor Statistics Datasets
Power BI	Texas Workforce Commission Labor Market Information

**Table 4 Exhibit 4 Data Analytics Platforms** 

#### **III. History and Major Events**

SB 642, 73<sup>rd</sup> Legislature creates the Texas Workforce Investment Council (then named the Council on Workforce and Economic Competitiveness), as a state agency serving as a Human Resource Investment Council authorized under the Federal Job Training Partnership Act Reform Amendments of 1992. The Council assumes responsibilities formerly held by the State Job Training Coordinating Council, the Texas Council on

Vocational Education, the Texas Literacy Council, the Apprenticeship and Training Advisory Committee, and the Texas Employment Commission Advisory Council.

SB 642 also gives the Council a number of strategic and programmatic responsibilities including development of a single strategic plan for the workforce system, policy recommendations to the Governor, workforce system development and advocacy, and evaluation of the effectiveness of the state's workforce development system. The Council is charged with the operational responsibilities of putting in place a system for the establishment of local workforce development boards and one-stop career centers.

First Council Chair appointed by the Governor. Executive director hired.

1994 Change in Council executive director. Deputy director assumes acting director role.

1995 HB 1863, passed by the 74<sup>th</sup> Legislature, amends the Workforce and Economic Competitiveness Act, Article 5190.7a, Vernon's Texas Civil Statutes, and removes the Council's status as a state agency effective September 1, 1995. HB 1863 attaches the Council to the Office of the Governor for administrative purposes and designates the Office of the Governor as the Council's fiscal agent.

HB 1863 consolidates 28 job training, employment, and employment-related educational programs with the unemployment insurance program into a new state agency titled the Texas Workforce Commission (TWC). TWC is responsible for implementing and managing the new system. The Council's operational/programmatic responsibilities are transferred to TWC and the Council's key strategic roles regarding workforce system policy, planning, and evaluation are retained and reinforced.

In addition, HB 1863 reduces the size of the Council from over 40 members and outlines the requirements for a new 20-member composition. The Council's budget and staffing levels are adjusted accordingly.

HB 1863 also creates the Texas Skill Standards Board (TSSB) as an advisory board to the Governor and the Legislature for the development of a statewide system of industry-defined and industry-recognized skill standards and credentials. The Council is charged with staffing the new Skill Standards Board. Therefore, although constituted as separate entities in legislation with specific and discrete mandates, TSSB and the Council share staff and administrative arrangements.

New Council Chair appointed by the Governor. New Council director hired.

1996 Council Chair resigns to assume duties as the newly appointed Commissioner representing the Public at TWC. New Council Chair appointed by the Governor.

1997 The Office of the Governor enters into a memorandum of understanding (MOU) with TWC to enable TWC to provide a portion of the Council's support, including operating costs and staff. This action is consistent with TGC §2308.065(b), which requires that a state

agency represented on the Council provide funds for the support of the Council in proportion to the agency's financial participation in the workforce development system.

SB 898 is passed during the 75<sup>th</sup> Legislative Session, authorizing the Texas Legislative Council to conform TGC to the changes made during the 74<sup>th</sup> Legislative Session in 1995.

Change in Council executive director.

1998 Congress passes the Workforce Investment Act (WIA). WIA is the culmination of various legislative attempts to reform the nation's workforce development programs. The final legislation, enacted in summer 1998, reflects the influence of many forces, key policy changes favored by members of both parties in Congress, and the reforms that many states had been implementing since the late 1980s. Among those states is Texas, with its landmark workforce and welfare system reforms in 1993 and 1995. WIA adopts many features of the Texas workforce development system model for the nation.

Change in Council Chair. Change in Council executive director.

1999 HB 3431 is passed by the 76<sup>th</sup> Texas Legislature. The bill amends the Council's mandates to update language in government code to the newly passed federal legislation. The bill also expands the Council's evaluation and reporting roles to require periodic reports to the Governor and the Legislature, including an annual report on the status of welfare initiatives in Texas and an annual report on the implementation of the *Texas Workforce Development Strategic Plan*.

Texas is one of six states to fully implement WIA on July 1, 1999, one full year ahead of schedule. The Council is designated by the Governor to serve as the state's Workforce Investment Board under the Workforce Investment Act. The Council maintains its composition and duties under WIA through a grandfather clause in the new law that allows Texas to retain specific elements of its workforce development system established under previous consistent state workforce legislation.

Council Chair's term as a Council member expires. New Council Chair appointed by the Governor. Change in Council executive director.

2000 The Office of the Governor enters into an MOU for Council funding and support, consistent with TGC §2308.065, with TWC, the Texas Education Agency (TEA), and the Texas Department of Human Services.

2001 SB 429 is passed by the 77<sup>th</sup> Texas Legislature. SB 429 is based on E-Texas recommendations released in December 2000 by the Texas Comptroller of Public Accounts. The bill requires the Council to develop funding formulas for Council support and for agency contribution to the Automated Follow-Up and Evaluation System. The bill also requires the Council to identify or establish formal and less formal workforce system measures in consultation with the Legislative Budget Board and partner agencies. The Governor's approval is required on formulas and measures. Amends strategic plan to

include all agencies with workforce programs.

Council Chair resigns pending confirmation as the Assistant Secretary for Economic Development at the U.S. Department of Commerce. Council vice-chair appointed as chair by the Governor.

The Council participates in Sunset review (2001–2003). The Council Chair, vice-chair, and director provide testimony regarding the Sunset staff report (May 2002) at the Sunset Advisory Commission Public Hearing held June 25, 2002. The Sunset Advisory Commission approves the Sunset staff recommendations at its decision meeting on September 25, 2002.

**2003** SB 281, 78<sup>th</sup> Texas Legislature, finalizes the Sunset Review process and:

- renames the Council as the Texas Workforce Investment Council;
- continues the Council's operation for an additional 12 years;
- reduces the size of the Council from 20 to 19 voting members;
- designates the agency head (executive director or commissioner) of each of the five member state agencies, rather than the board Chair, to represent their agency as an ex officio voting member of the Council;
- modifies language regarding the Council's responsibility to facilitate the integrated delivery of workforce services; and
- transfers maintenance of the Automated Follow-up and Evaluation System from the Council to TWC, while retaining the Council's responsibility to establish a funding formula to determine the level of contribution to be provided by agencies with workforce programs.

HB 2292 is passed by the 78<sup>th</sup> Legislature. The bill reorganizes various agencies into four under the umbrella of the Health and Human Services Commission. Two workforce system partner agencies, the Departments of Vocational Rehabilitation and Blind Services, are consolidated into the Department of Assistive and Rehabilitative Services.

The Council endorses and the Governor approves the third strategic plan for the Texas workforce system, entitled *Destination 2010: FY 2004–FY 2009 Strategic Plan for the Texas Workforce Development System*. For the first time, the strategic plan included long term objectives, strategic action plans, and specified accountable partners and timelines for implementation.

2005 HB 2604 is passed by the 79<sup>th</sup> Legislature. The bill amends Chapter 302 of the Labor Code to move administration of employment services for veterans from TWC to the Texas Veterans Commission. The Veterans Commission becomes a new partner in the workforce system (2006) and a member of the Council's System Integration Technical Advisory Committee.

**2007** Council Chair's term as a Council member expires. New Council Chair appointed by the Governor.

2009 HB 4328 is passed by the 81<sup>st</sup> Legislature. The bill adds Chapter 312 to the Labor Code to create the Interagency Literacy Council to study, promote, and enhance literacy in Texas. The literacy council is directed by the executive director of TWC and includes representatives of TEA, the Texas Higher Education Coordinating Board (THECB), and public members. The literacy council must submit a statewide action plan to improve literacy and report on that plan to the legislature, the Governor, and the Council every November of even-numbered years.

The Council endorses and the Governor approves the fourth strategic plan for the Texas workforce system, entitled *Advancing Texas: Strategic Plan for the Texas Workforce System (FY 2010-FY 2015).* 

Council Chair resigns. New Council Chair appointed by the Governor.

2011 SB 1796 is passed by 82<sup>nd</sup> Legislature. The bill amends Chapter 434 of TGC to establish the Texas Coordinating Council for Veterans Services (TCCVS) to: coordinate the activities of state agencies that assist veterans and their families; coordinate outreach efforts that ensure those people are made aware of services; and facilitate collaborative relationships among state, federal, and local agencies and private organizations to identify and address relevant issues.

Following constitution of an employment workgroup, the executive heads of TWC and the Council (or that person's designated representative) are designated as members of the employment workgroup.

Change in Council director.

2013 SB 307, 83<sup>rd</sup> Texas Legislature, transfers the administration of federal and state adult education and literacy programs from TEA to TWC. This action coincides with a Sunset Advisory Commission recommendation. The bill also requires TWC to create an advisory committee for the program to support the development of an educated and skilled workforce in the state. SB 307 requires TWC to report program participant outcomes to the Legislature each even-numbered year.

Texas Education Agency Rider 64 requires the agency administering adult education, in consultation with the Council, to develop a strategic plan to improve the delivery of adult education. The agency must report to the Council, the Governor, and the Legislative Budget Board every even-numbered year on the progress implementing this plan.

SB 1892 adds the director of the Council as a member of the Texas Coordinating Council for Veterans Services. Previously the director served only as a member of an advisory working group.

2014 Congress passes the Workforce Innovation and Opportunity Act (WIOA), which became effective on July 1, 2015, thereby repealing WIA. WIOA is designed to help job seekers access employment, education, and training in order to achieve success in the workforce.

Enhancements of the law include program coordination, streamlined service delivery, and alignment of programs across common goals with increased accountability and transparency.

2015 The Council participates in Sunset review (2013–2015). The Sunset Advisory Commission approved the Sunset staff recommendations at its decision meeting on January 14, 2015. The recommendations of the commission are to continue the Council's operation for another 12 years, to align the Council's Sunset review with that of TWC, and to abolish the Texas Skill Standards Board and transfer its functions to the Council. HB 1606 continues the Council for 12 years and assigns it four functions previously carried out by the Texas Skill Standards Board.

The Council endorses and the Governor approves, *The Texas Workforce System Strategic Plan, FY 2016-FY 2023.* 

The Sunset Advisory Commission approves the Sunset staff recommendations to the transfer the vocational rehabilitation program—including services for blind and visually impaired Texans—to TWC from the Department of Assistive and Rehabilitative Services, effective September 1, 2016.

The Governor establishes the Tri-Agency Workforce Initiative, tasking three agencies, TEA, THECB, and TWC, to collaborate and to identify links between education and industry in order to increase economic prosperity for Texans.

- **2018** Council Chair resigns. New Council Chair appointed by the Governor.
- 2019 HB 3 is passed by the 86<sup>th</sup> Legislature, which aims to improve student outcomes in obtaining higher education credentials and to increase workforce readiness. The Tri-Agency Workforce Initiative is also charged with implementing and identifying solutions to long-term workforce needs.
- 2021 HB 1247, 87<sup>th</sup> Texas Legislature, codifies the Tri-Agency Workforce Initiative and assigns responsibility for developing and implementing a plan—including goals and strategies—to improve interagency collaboration on education-, workforce-, and data-related issues.
- 2023 Council Chair resigns. New Council Chair appointed by the Governor. HB 8, 88<sup>th</sup> Texas Legislature, creates a new public junior college finance method that consists of a performance tier based on measurable student outcomes that are aligned with state and regional workforce needs and goals aligned to THECB's strategic plan.

Change in Council executive director.

The Council endorses and the Governor approves, Accelerating Alignment: Texas Workforce System Strategic Plan for Fiscal Years 2024-2031 with Formal and Less Formal Measures.

### IV. Policymaking Structure

# A. Complete the following table to provide information on members of your policymaking body.

# TEXAS WORKFORCE INVESTMENT COUNCIL Exhibit 5: Policymaking Body

Member Name	Current Term / Appointment Dates / Appointed By (e.g., Governor, Lt. Governor, Speaker)	Previous Terms Served (if applicable)	Qualification (e.g., public member, industry representative)	City
Rick Rhodes, <b>Chair</b>	-Second 6-year term. -9/1/2023—9/1/2029 -Appointed chair: 4/12/2023 -Appointed by: Governor	12/11/2019 – 9/1/2023	Business Representative	Austin
Michelle Harper, Vice Chair	-Completing an existing term of previous member10/18/2023 – 9/1/2025 -Appointed by: Governor	N/A	Community-Based Organization Representative	San Marcos
Paloma Ahmadi	-6-year term. -12/17/2021 – 9/1/2027 -Appointed by: Governor	N/A	Business Representative	Shavano Park (San Antonio)
Joe Arnold	-Second term. -9/1/2021 – 9/1/2027 -Appointed by: Governor	11/17/2020 – 9/1/2021	Education Representative	Muldoon
Jesse Gatewood	-Second term. -9/1/2023 – 9/1/2029 -Appointed by: Governor	12/11/2019 – 9/1/2023	Labor Representative	Corpus Christi
Lindsey Geeslin	-Second term. -9/1/2021 – 9/1/2027 -Appointed by: Governor	6/19/2018 – 9/1/2021	Labor Representative	Temple
Aida Coronado	-Completing an existing term of previous member4/2/2025 – 9/1/2025 -Appointed by: Governor	N/A	Business Representative	Brownsville
Thomas Halbouty	-Second 6-year term. -9/1/2019 – 9/1/2025 -Appointed by: Governor	11/5/2013 – 9/1/2019	Business Representative	Southlake
John Martin	-Second term after completing an existing term of previous member9/1/2023 – 9/1/2029 -Appointed by: Governor	12/11/2019 – 9/1/2023	Labor Representative	San Antonio

Wayne	-Second term after	6/19/2018 –	Business Representative	Angleton
Oswald	completing an existing term of previous member9/1/2021 – 9/1/2027 -Appointed by: Governor	9/1/2021		
Paul Puente	-Second term after completing an existing term of previous member9/1/2021 – 9/1/2027 -Appointed by: Governor	6/19/2018 – 9/1/2021	Labor Representative	League City
Richard Rhodes	-Second 6-year term. -9/1/2019 – 9/1/2025 -Appointed by: Governor	11/15/2013 – 9/1/2019	Education Representative	Austin
Bobby Smith	-Completing an existing term of previous member12/11/2019 – 9/1/2025 -Appointed by: Governor	N/A	Labor Representative	Beaumont
Johnny Vahalik	-6-year term. -10/18/2023 – 09/01/2029 -Appointed by: Governor	N/A	Education Representative	San Antonio
Adriana Cruz	Ex officio member **	N/A	Presiding Officer of the Economic Development and Tourism Division, Office of the Governor	Austin
Cecile Young	Ex officio member **	N/A	Presiding Officer of the Texas Health and Human Services Commission	Austin
Wynn Rosser	Ex officio member **	N/A	Presiding Officer of the Texas Higher Education Coordinating Board	Austin
Edward Serna	Ex officio member **	N/A	Presiding Officer of the Texas Workforce Commission	Austin
Mike Morath	Ex officio member **	N/A	Presiding Officer of the Texas Education Agency	Austin

**Table 5 Exhibit 5 Policymaking Body** 

#### B. Describe the primary role and responsibilities of your policymaking body.

As described in Section I, the Texas Workforce Investment Council (Council) was created in 1993 by the Governor and the Texas Legislature to carry out strategic planning and evaluation functions to promote the development of a well-educated, highly skilled workforce for Texas, as well as to make recommendations to the Governor regarding the designation or re-designation of local workforce development boards. This foundational role ensures that workforce policy

<sup>\*\*</sup>Ex officio members are not appointed but serve on the Council as long as that member continues to serve in the designated office.

decisions are informed by coordinated planning and evaluation, maximizing the impact of state and federal investments in workforce development. In addition, the Council is charged with advocating for the development of an integrated workforce development system that provides quality services to address the needs of businesses and workers. The Council primarily assists the Governor and the legislature with strategic planning, research, and evaluation to support continuous improvement of the Texas workforce system.

The Council is charged by the legislature and designated by the Governor to carry out the federal and state duties and responsibilities of advisory councils required by federal law or regulation, serving as the state workforce development board under the federal Workforce Innovation and Opportunity Act (WIOA). This designation gives the Council an essential role in implementing federal workforce requirements which include adapting programs to Texas' unique economic and labor market conditions. As such, the Council was created in state and federal statute to serve as a policymaking and advisory body.

Primary roles of the Council include system strategic planning, system evaluation, system research and continuous improvement, system review, and administration of Texas skills standards system. The Council's key responsibilities fall within the primary roles and include but are not limited to:

- System Strategic Planning. Develop and recommend to the Governor, and report to the legislature a single strategic plan that establishes the framework for the budgeting and operation of the workforce development system administered by agencies represented on the Council. The plan must include in the strategic plan goals, objectives, and performance measures for the workforce development system that involve programs of state agencies that are represented on the Council. (SB 429, 77<sup>th</sup> Legislature amends this responsibility to include all agencies with workforce programs).
- System Alignment. Develop linkages to ensure coordination and non-duplication to assist the Governor in the development and continuous improvement of a statewide system of activities carried out through a one-stop delivery system, including state agency strategic plans.
- Workforce Development Areas. Recommend to the Governor the designation or redesignation of workforce development areas for the local planning and delivery of workforce development.
- System Measures. Workforce system evaluation to include development and implementation of system measures, including Formal and Less Formal measures.
- System Effectiveness. Workforce system evaluation to determine system effectiveness and progress toward state and local goals and objectives.
- <u>Periodic Reports</u>. Periodic research and/or evaluative reports to the Governor and the legislature to include an annual report on the status of welfare initiatives in Texas and on the implementation of the Texas workforce development strategic plan.
- System Research. Encourage, support, or develop research and demonstration projects designed to develop new programs and approaches to service delivery.
- State and Local Plans. Review and recommend state and local plans for workforce development to the Governor as required by federal workforce development law and

- regulation. Ensures alignment with statewide goals and promotes consistency across local programs.
- Skill Standards. Maintain skills standards functions, resulting from its 2015 Sunset review.

#### C. How is the chair selected?

The Governor appoints the chair of the Council from one of the business or labor representatives on the Council in accordance with TGC §2308.053(a) for a term at the pleasure of the Governor. The Council Chair designates a vice-chair from among its members to serve at the pleasure of the chair. Vacancies on the Council are filled by the Governor, and vacancies in the office of chair and vice-chair are filled in the same manner as the original appointment or designation.

# D. List any special circumstances or unique features about your policymaking body or its responsibilities.

Two features make the Council unique in comparison to many state-agency policymaking bodies:

- Systems Perspective. Unlike policymaking bodies that are specific to one agency, the Council
  has responsibility for strategic planning, evaluation, research, and review for the workforce
  programs and initiatives residing in five member and three WIOA partner agencies and their
  local program providers (independent school districts, adult education providers, local
  workforce boards, and community and technical colleges). This oversight ensures
  coordinated, efficient, and aligned workforce services across the state.
- 2. Funding and Administrative Arrangements. Many policymaking bodies have an independent budget or a discrete source of funding. The Council relies on support from its member agencies as required by TGC §2308.065(b). This statute requires that a state agency represented on the Council provide funds for the support of the Council in proportion to the agency's financial participation in the workforce development system. This funding and full-time equivalent employee support, as well as associated administrative procedures, are negotiated on a periodic basis through a Memorandum of Understanding (MOU) with the Office of the Governor and the supporting agencies. Member agency support of the Council is not specified in each agency's Legislative Appropriations Request or in the Appropriations Bill. In addition, the Council's administrative arrangements are unique in that it is administratively attached to the Office of the Governor. The Texas Workforce Commission acts as the Council's fiscal agent, under an MOU with the Office of the Governor. This proportional funding structure aligns resource allocation with system impact and encourages fiscal responsibility.

# E. In general, how often does your policymaking body meet? How many times did it meet in fiscal years 2020 through 2024? Explain if the policymaking body met in-person or virtually during this time.

Full Council meetings are called by the presiding officer (chair) of the Council. The Council is required to meet quarterly and at other times as deemed necessary by the chair. Generally, Council meeting dates are set well in advance, and meetings are conducted in-person.

•					
Fiscal Year	Quarter 1	Quarter 2	Quarter 3	Quarter 4	
2020	09/13/2019	12/06/2019	02/28/2020	04/06/2020**	
2021	09/4/2020	12/11/2020	03/05/2021	06/04/2021	
2022	09/03/2021	12/10/2021	03/04/2022	06/03/2022	
2023	09/09/2022	12/09/2022	03/10/2023	06/16/2023	
2024	09/15/2023	12/08/2023	02/16/2024	06/14/2024	

#### **Council Meeting Schedules**

At any Council or committee meeting, a quorum is required for the transaction of business. A quorum of the Council is a majority of the number of members fixed by statute. Therefore, 10 of the 19 members of the Council constitute a quorum. If the chair increases or decreases the size of a committee by appointing or removing members, a quorum will consist of more than 50 percent of the committee as increased or decreased by such appointments or removals.

All meetings of the Council and each committee are posted in the Texas Register in accordance with the Texas Open Meetings Act. In addition, all meetings are conducted in accordance with *Robert's Rules of Order, Revised*, as long as they are not inconsistent with Council bylaws or other applicable laws. A record of each meeting is compiled in meeting minutes that are later approved by the Council Chair. The chair's approved minutes are then presented to the entire Council or committee body for consideration of approval at its next scheduled meeting.

The agenda for each Council and committee is developed in consultation with the Council or committee chair. Items on the agenda are designated as action, briefing, or information items:

- Action items are matters that require a vote or other specific action by the Council.
- Briefing items are matters that may come before the Council at a future date for a vote or other specific action. Briefing items may also include presentations or discussions on topics relevant and important to Council responsibilities.
- Information items are matters that will not require a vote or specific action by the Council, but which may contain information relevant to the operations or mandates of the Council.

In preparation for Council meetings, staff prepares materials that are compiled within a briefing book that is sent to Council members one week prior to the full Council meeting. Briefing books are designed to provide Council members with the information necessary to be fully prepared to participate in the discussions and decisions at the Council meeting. The briefing book includes:

- final agenda;
- minutes of the previous full Council meeting;
- briefing memoranda for each action item and supporting material as appropriate;
- briefing memoranda for each briefing item and supporting material as appropriate;
- informational items, including quarterly expenditure reports and supporting material as appropriate; and
- other materials as requested by the chair.

#### F. Does the policymaking body broadcast and archive its meetings?

<sup>\*\*</sup> Virtual ad hoc meeting to approve the Texas Combined State Plan

No, the Council does not broadcast its meetings. However, the Council does post in the Texas Register advance notice of the date, time, location, and agenda of each Council meeting, in accordance with state statute regarding open meetings.

# G. Briefly describe all the training the members of the agency's policymaking body receive. How often do members receive this training or updated materials?

TGC §2308.158 requires that members receive training prior to beginning their service on the Council. This initial training ensures members are fully prepared to understand their statutory responsibilities and contribute effectively to the Texas workforce system. While the Council executive director is responsible for providing the initial orientation and training regarding the Council, new members must undertake training in ethics, Open Meetings Act, and Public Information Act. Members also receive ongoing training as necessary to fulfill the requirements for office, including information regarding their responsibilities under applicable laws relating to standards of conduct for state officers. Members are additionally encouraged to attend a training seminar hosted by the Governor's Office that is made available to all gubernatorial appointees. The training is designed to acquaint newly appointed Texas state agency board and commission members with the roles and responsibilities of their positions, with the resources available to them in carrying out these responsibilities, and with the Governor's philosophy and priorities. The one-day training includes sessions on legal and ethics issues, fiscal responsibility, and media relations.

Council members may also receive training specific to the workforce development system and their responsibilities through:

- <u>Strategic planning sessions</u> held for Council members in preparation for and throughout development of the statewide strategic plan for the workforce development system.
- <u>Presentations/lectures at Council meetings</u> from authorities on a wide variety of issues including Texas demographics, workforce programs, developing a business-driven system, economic development, national best practices, and more.
- Periodic state and regional workforce conferences featuring sessions on a variety of topics, including: the workforce system, state and federal education and workforce laws and regulations, state and federal education and workforce issues, and local workforce board leadership.
- <u>Listening sessions and roundtables</u>, focused on critical workforce issues, that are presented by a panel of experts, including the member agency head, program directors, local program providers, and/or Texas employers.
- Membership in national organizations provides members with the opportunity to learn about the workforce strategies of other states, gain a greater understanding of federal programs and initiatives, examine the impact of federal legislation and policy, and improve the effectiveness of state boards. The Council Chair may become a member of the National Association of State Workforce Board Chairs supported by the National Governors Association.
- Materials and training opportunities provided by the National Association of Workforce Boards and the National Association of State Workforce Board Chairs, organizations dedicated to building the leadership capacity of state and local workforce investment boards.

# H. What information is regularly presented to your policymaking body to keep them informed about the agency's operations and performance?

At quarterly meetings of the Council, members receive information on the year-to-date expenditures, and a report from the Rehabilitation Council of Texas (RCT). Members also receive verbal updates from Council committees including the Executive Committee and Apprenticeship and Training Advisory Committee, as well as a member liaison report from RCT, ensuring that Council members have an understanding of agency implementation, workforce programs, and populations serve across the workforce system. In addition, the Council Chair invites presenters from industry and agency partners including the Governor's Tri-Agency Workforce Initiative.

# I. How does your policymaking body obtain input from the public regarding issues under the agency's jurisdiction? How is this input incorporated into the operations of your agency?

#### **Background**

The Council is created under both state and federal law to assist the Governor and the legislature with strategic planning for and evaluation of the Texas workforce development system. The Council's primary functions include system planning, evaluation, research, and review, all of which benefit from stakeholder and public input to ensure relevance and effectiveness.

The Council has adopted bylaws that provide parameters for meetings of the Council as well as the Council's subcommittees and technical advisory committees. The bylaws state that the Council is subject to the provisions of TGC §511, also known as the Open Meetings Act. The following provisions of the Open Meetings Act are reflected in the Council's bylaws and are relevant to the Council's policy regarding public comment.

- Governmental bodies must give the public advance written notice of the date, hour, place, and subject of each meeting held by the governmental body.
- A state governmental body shall provide notice of each meeting to the Secretary of State. The Secretary of State shall post the notice on the internet.
- A meeting that is "open to the public" under the Open Meetings Act is one that the public is permitted to attend. The act does not entitle the public to choose the agenda items or to speak about items not scheduled. A governmental body may, however, give members of the public an opportunity to speak at a public meeting. If it does so, it may set reasonable limits on the number, frequency, and length of presentations before it, but may not unfairly discriminate among speakers for or against a particular point of view.

#### Policy

In accordance with TGC §551, and the Council bylaws, advance written notice of all meetings of the Council and Council subcommittees is submitted to the Secretary of State for posting in the *Texas Register*. Council meetings are therefore open to the public.

At each meeting of the full Council as well as Council subcommittees, members of the public will have an opportunity to speak to the Council on items included on the posted agenda or on other matters under the Council's jurisdiction, ensuring that public perspectives are considered in the

Council's policy recommendations and strategic decisions. Public comment forms will be made available at the meeting so that members of the public may register their request to speak to the Council when the Chair calls for public comment. At each meeting, the Council may set reasonable limits on the number, frequency, and length of public comments.

Because the Council is not an agency with programmatic and operational responsibility, public input with regard to the operations of the Council is primarily associated with the development of the workforce system strategic plan or evaluative report, or with a request to redesignate a local workforce development area. The Council invites public input on its plans, reports, and actions by:

- posting announcements and/or notices in the Texas Register inviting the public to submit written comment,
- holding public hearings to invite oral comment and posting notice of those hearings in the Texas Register,
- posting notice of council meetings in the Texas Register,
- providing opportunity for public comment at each council meeting,
- hosting employer roundtables,
- hosting listening sessions,
- conducting employer surveys,
- posting the workforce system strategic plan for review and comment,
- posting rule reviews in the Texas Register, and
- as appropriate, sending letters and drafts to system stakeholders, requesting input on specific Council projects or actions.
- J. If your policymaking body uses subcommittees, advisory committees, councils, or other groups to carry out its duties, fill in the following table. See Exhibit 6 Example. For any advisory committees established in statute, please note the date of creation for the committee as well as the abolishment date as required by Texas Government Code, Section 2110.008.

In addition, please attach a copy of any reports your agency filed under Texas Government Code, Section 2110.007 regarding an assessment of any statutory advisory committees as Attachment 28.

TGC §2308.058 authorizes the presiding officer to appoint subcommittees and technical advisory committees. The presiding officer may appoint subcommittees consisting of members of the Council for any purpose consistent with the duties and responsibilities of the Council. The presiding officer may appoint technical advisory committees composed of Council members, persons who are not Council members, or both members and non-members.

# TEXAS WORKFORCE INVESTMENT COUNCIL Exhibit 6: Subcommittees and Advisory Committees

Name of Subcommittee or Advisory Committee	Size / Composition / How are members appointed?	Purpose / Duties	Legal Basis for Committee (statute or rule citation)	Creation and Abolishment Dates
Executive Subcommittee  (members also served as the Strategic Planning Committee)	Eight members designated by the presiding officer (chair)	The Executive Subcommittee is primarily responsible for assisting the Presiding Officer in carrying out his/her leadership responsibilities including but not limited to:  • providing guidance on the establishment of policies for the administration and management of the Council;  • acting as project liaison on Council projects;  • activities involving advocacy and leadership, legislative communications and business involvement;  • maintaining the Council's focus on strategic priorities;  • providing guidance on the Council work plan; and designing and articulating the Council's strategic intent regarding strategic planning and evaluation.	TGC §2308.058(a)	
Apprenticeship Training Advisory Committee (ATAC)	the presiding officer of the Council. The ATAC Committee chair and vice-chair are appointed from Council members who represent Labor.	mandates regarding apprenticeship in Texas.  Duties include recommending forms, formulas, and administrative procedures for the distribution of available funds to apprenticeship training programs funded under Chapter 133 of the Texas Education	TGC §2308.058(b)	1996-Present
Strategic Planning Committee	Executive Committee of	carrying out his/her leadership responsibilities	TGC §2308.058(a)	

Name of Subcommittee or Advisory Committee	Size / Composition / How are members appointed?	Purpose / Duties	Legal Basis for Committee (statute or rule citation)	Creation and Abolishment Dates
System Integration Technical Advisory Committee (SITAC)	the presiding officer of the Council. The SITAC chair was appointed by the presiding officer from	plans and achievement of articulated long-term objectives; and  recommending periodic updates to the strategic plan.		2015

**Table 6 Exhibit 6 Subcommittees and Advisory Committees** 

### V. Funding

#### A. Provide a brief description of your agency's major sources of funding.

TGC §2308.065, specifies that a state agency represented on the Texas Workforce Investment Council (Council) shall provide funds for the support of the Council in proportion to the agency's financial participation in the workforce development system. The section further specifies that the Council, with the Governor's approval, shall establish a funding formula to determine the level of support each agency must provide. Further details provided in Section D below.

#### B. List all riders that significantly impact your agency's budget.

None. The Council is not subject to the appropriation process and is therefore not required to submit a Legislative Appropriations Request.

C. Show your agency's expenditures, including transfers, broken down into clear and easy-to-understand categories, as shown in the examples provided. This information forms the basis of the "Agency at a Glance" section of Sunset's reports. *See Exhibit 7 Example*. Please ensure the totals provided for Expenditures and Sources of Revenue are equal.

## TEXAS WORKFORCE INVESTMENT COUNCIL Exhibit 7: Expenditures — Fiscal Year 2024 (Actual)

Category	Amount Spent	Percentage of Total
Personnel	\$686,865.06	74.09%
Communications	\$4,595.11	0.50%
Travel*	\$7,411.17	0.80%
Supplies	\$1,526.23	0.17%
IT Operating	\$4,024.97	0.43%
Other Operating**	\$222,605.75	24.01%
GRAND TOTAL:	\$927,028.29	100.00%

**Table 7 Exhibit 7 Expenditures** 

D. Show your agency's sources of revenue broken down into clear and easy-to-understand categories, as shown in the examples provided. This information forms the basis of the "Agency at a Glance" section of Sunset's reports. Include all local, state, and federal appropriations; all professional fees (for licensure and certification) and operating fees (charged to agency customers for services); and all other sources of revenue collected by the agency, including taxes and fines. See Exhibit 8 Example. Please ensure the totals provided for Expenditures and Sources of Revenue are equal.

In 1995, with the passage of HB 1863 by the 74<sup>th</sup> Texas Legislature, agency status was removed from the Council, and it was attached to the Office of the Governor (OOG) for administrative purposes. The OOG was also designated as the Council's fiscal agent. The Council's mandates retained the requirement that the Council's operational funding be borne by member agencies. The amounts below reflect the contributions by member agencies, as specified in TGC §2308.065. Statute states that federal funding for the operation of the Council shall be allocated according to federal requirements and that a state agency represented on the Council shall provide funds for the support of the Council in proportion to the agency's financial participation in the workforce development system. The Council, with the Governor's approval, shall establish a funding formula to determine the level of support each agency must provide. The Governor approved the current funding formula in 2004.

<sup>\*</sup> Includes Council member and staff travel

<sup>\*\*</sup> Includes reimbursement for Executive Director's salary

## TEXAS WORKFORCE INVESTMENT COUNCIL Exhibit 8: Sources of Revenue — Fiscal Year 2024 (Actual)

Source	FTE	FTE Salary	Operating	Amount
Texas Workforce Commission	10	\$832,064.00	\$309,556.00	\$1,141,620.00
Texas Health and Human Services Commission	0	\$0.00	\$32,610.00	\$32,610.00
Texas Education Agency	1	\$0.00	\$75,707.00	\$75,707.00
Texas Higher Education Coordinating Board	0	\$0.00	\$19,410.00	\$19,410.00
Office of the Governor	1	\$0.00	\$0.00	\$0.00
TOTAL	12	\$832,064.00	\$437,283.00	\$1,269,347.00

**Table 8 Exhibit 8 Sources of Revenue** 

**Source**: Memorandum of Understanding and Agreement Regarding Support of the Texas Workforce Investment Council FY 2025–FY2026. OOG salary for Executive Director is reimbursed per the MOU.

# E. If you receive funds from multiple federal programs, show the source agency and type of federal funding. See Exhibit 9 Example.

#### Memorandum of Understanding (MOU)

There have been eight MOUs between the OOG and one or more of the member agencies since the legislature removed the Council's state-agency status in 1995 (74<sup>th</sup> Regular Session) and attached it to the OOG for administrative purposes. At that time, the legislature designated the OOG as the Council's fiscal agent and required the Council's executive director to adopt the administrative and personnel procedures of the OOG. In 2002, the OOG determined that TWC would be the repository for the operating funds received from agencies, and this has been included as a provision in all subsequent MOUs.

Each biennium, the OOG, on behalf of the Council, enters into a MOU with the Council's five-member state agencies: Texas Education Agency; Texas Workforce Commission (TWC); Texas Higher Education Coordinating Board; Texas Health and Human Services Commission; and the Office of Economic Development and Tourism in the OOG. The MOU specifies the level of support to be provided in full-time equivalent (FTE) staff positions and operating costs. The MOU also details other administrative arrangements for the Council, such as designating TWC as host of the Council's operating budget (see Attachment 20).

#### **Funding Formula**

In 2001, based on a recommendation from the Comptroller, the 77<sup>th</sup> Texas Legislature amended TGC §2308.065 to require the Council to develop, and the Governor to approve, a funding formula to determine each agency's level of support for the Council. The Governor last approved the formula in April 2004.

The formula defines the "... agency's financial participation in the workforce development system" and "proportional share" by applying the formula as follows:

Funding Formula: A= (B/C) \* D

- A. Each member agency's contribution for Council funding.
- B. Total of <u>each</u> member agency's federal and state appropriated funding for programs eligible for inclusion under Workforce Innovation and Opportunity Act (WIOA) Combined State Planning and state-based workforce programs for the current biennium.
- C. Total of <u>all</u> member agencies' federal- and state-appropriated funding for programs eligible for inclusion under WIOA Combined State Planning and state-based workforce programs for the current biennium.
- D. Council annual budget (past decade approximately \$1,057,000) (for FY 2014 \$1,019,000 [less \$38,000 for TWC contribution reduction due to sequestration]).

An agency's percentage of total workforce program funding is calculated by dividing the total of all agencies' funding for the above federal and state programs (C) by the agency's funding for its workforce programs (B). The percentage is then multiplied by the Council's budget (\*D) to determine the level of support each agency will provide for the biennium (A).

Given the funding formula used, the table is not applicable.

F. If applicable, provide detailed information on the fees your agency collects. Please explain how much fee revenue is deposited/returned to the General Revenue Fund and why, if applicable. See Exhibit 10 Example.

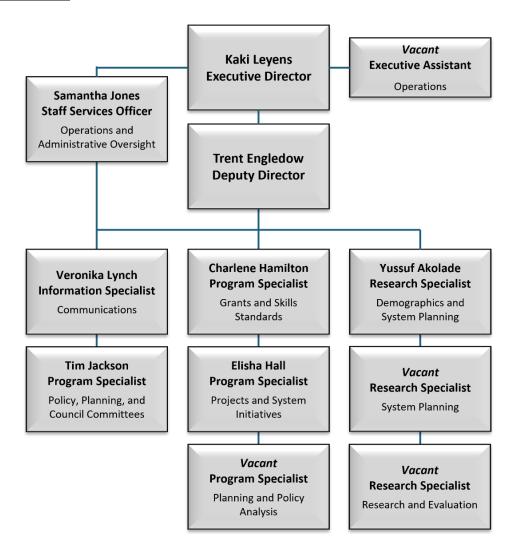
Not Applicable.

### VI. Organization

A. Provide an organizational chart that includes major programs and divisions and shows the number of FTEs in each program or division. Detail should include, if possible, division heads with subordinates and actual FTEs with budgeted FTEs in parentheses.

The Texas Workforce Investment Council (Council) has 12 full-time equivalent (FTE) staff members through a Memorandum of Understanding (MOU) between the Office of the Governor (OOG) and the Council's member agencies. The Council's operating costs and FTEs are paid through allowable federal funds. It receives no general revenue funds.

#### **Organizational Chart**



B. Complete the table below listing the agency's headquarters and number of FTEs and, if applicable, field or regional offices. See Exhibit 11 Example.

All Council FTE staff are located at the Council's office at 1100 San Jacinto, Ste.1.100, Austin Texas.

## TEXAS WORKFORCE INVESTMENT COUNCIL Exhibit 11: FTEs by Location — Fiscal Year 2025 (as of SER submission)

Headquarters, Region, or Field Office	Location	Number of Budgeted FTEs FY 2025	(as of SER
Headquarters	Austin	12	9
		TOTAL: 12	TOTAL: 9

Table 11 Exhibit 11 FTEs by Location

#### C. What are your agency's FTE caps for fiscal years 2023-27?

The Council does not have agency status; therefore, there is no FTE cap. Since 1998, the Council has had 12 FTEs through a MOU between the OOG and the Council's member agencies. See Sections V.D. and VI.A. above.

In 1995, with the passage of HB 1863, the Texas Legislature removed agency status from the Council and attached it to the Office of the Governor for administrative purposes. In addition, the Office of the Governor was designated as the Council's fiscal agent. Since the enactment of that bill, the Council no longer is distinguished as a state agency and therefore an FTE cap does not apply.

In 2002, following the requirement added to TGC by the 77<sup>th</sup> Texas Legislature in 2001 that a state agency represented on the Council shall provide funds for the support of the Council in proportion to the agency's financial participation in the workforce development system, the OOG determined that TWC would be the repository for the operating funds received from agencies. The designation of TWC by the OOG as the Council's fiscal agent and the amount contributed to operating costs and FTEs by each Council member agency have been included as a provision in all subsequent MOUs.

However, within the context of the MOU for budget and FTE support, member agencies contribute FTEs to support Council operations. These FTEs are included in the FTE cap of the contributing agency. The MOU in effect for the period FY 2025–2026 between the Texas Workforce Commission (10 FTEs), Texas Education Agency (one FTE), Texas Higher Education Coordinating Board (operating costs only), Health and Human Services Commission (operating costs only), and the Office of the Governor, specifies a total of 11 FTEs. The Office of the Governor, which is not subject to an FTE cap, provides one additional FTE to Council.

D. How many temporary or contract employees did your agency have in fiscal year 2024? If use of contractors is significant, please break out totals by program or department. Please provide a short summary of the purpose of each position type, amount of expenditures per position type, and procurement methods used.

The Council does not employ temporary or contract employees. Therefore, the table is not applicable.

E. List each of your agency's key programs or functions, along with expenditures and FTEs by program. See Exhibit 13 Example. (If you have already completed the "Agency Program Information" spreadsheet in advance, you do not need to replicate any duplicative information below.)

The Council itself constitutes a single, unified program and function. As a strategic planning and evaluation body, the Council is statutorily charged with aligning workforce system partners, evaluating program effectiveness, and reporting to the Governor and legislature. All agency resources—both expenditures and FTEs—are dedicated to fulfilling this comprehensive mandate, ensuring efficient use of resources and maximizing impact for Texas businesses, workers, and the state's workforce system. Therefore, the Council is reported as a single program in Table 13 below.

TEXAS WORKFORCE INVESTMENT COUNCIL
Exhibit 13: List of Program FTEs and Expenditures — Fiscal Years 2024 and 2025

Program	Actual FTEs FY 2024	Budgeted FTEs FY 2025	Actual Expenditures FY 2024	Budgeted Expenditures FY 2025
Texas Workforce Investment Council	8	12	\$927,028.29	\$1,269,347.00
TOTAL	8	12	\$927,028.29	\$1,269,347.00

Table 13 Exhibit 13 List of Program FTEs and Expenditures

### VII. Guide to Agency Divisions and Programs

Please fill out the information below for **each** agency division, program, activity, or service as appropriate. (*If you have already completed the "Agency Program Information" spreadsheet in advance, you do not need to replicate any duplicative information below.*) Copy and paste questions A through M as many times as needed to discuss each division or program. If there is overlap in the information provided across various agency divisions or programs, please reference the relevant page/section rather than repeating the information. Contact Sunset staff with any questions about completing this section for your agency.

Α.	Provide the following	g information	at the beginning	g of each descripti	ion.
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Name of division or program:

Location within the agency:

Contact name:

Statutory citation:

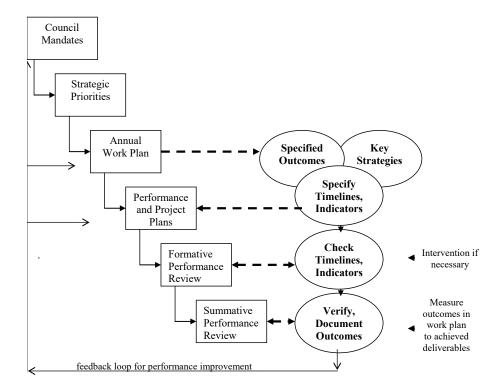
Not Applicable. The Council does not operate any state or federally funded programs.

As an advisory body to the Governor and the legislature, the Council has responsibility for duties regarding strategic planning for and evaluation of the Texas workforce development system. Detailed information about the Council's purpose, mandates, and functions is provided in Sections I – III. To adapt this section to be applicable to the Council yet not duplicative, questions about the Council not previously addressed will be answered. Questions designed specifically for programs will be answered either for the Council as a whole or will be marked as Not Applicable.

#### B. What is the objective of this division or program? Describe its major activities.

As discussed in more detail in Section I, the purpose of the Council is to assist the Governor and the legislature with strategic planning for and evaluation of the Texas workforce development system. The Council is also charged by the legislature and designated by the Governor to carry out the federal and state duties and responsibilities of advisory councils required by federal law or regulation, including serving as the state workforce development board under the federal Workforce Innovation and Opportunity Act of 2014. As such, the Council has five primary functions:

- workforce development system planning and capacity building
- workforce development system evaluation and performance measurement
- workforce development system research and continuous improvement
- workforce development system review, and an additional function as the
- skill standards system administrator.



C. What information does the agency collect/use to assess the effectiveness and efficiency of this division or program? If applicable, briefly note any LBB performance measures (from Section II, Exhibit 2) but also provide any other metrics of program effectiveness and efficiency. Please provide the data source and/or methodology behind how each statistic or performance measure was determined. If you do not track measures of effectiveness for a given division, department, or program, please explain why.

Please see **Section II.C: Key Functions and Performance** in this SER.

D. Describe any important history regarding this division or program not included in the general agency history section, including how the functions or services have changed over time. If the response to Section III of this report is sufficient, please leave this section blank.

Please see **Section III: History and Major Events** in this SER.

E. List any qualifications or eligibility requirements for persons or entities affected by this division or program (e.g., licensees, consumers, and landowners). Provide a statistical breakdown of persons or entities affected.

Not Applicable.

F. Describe how the division or program is administered, including a description of key processes involved. If you have existing documentation (e.g., flowcharts, timelines, and other illustrations) to describe agency policies and procedures, please include them as attachments. Indicate how field/regional services are used, if applicable.

TGC §2308.051(b) specifies that the Council is attached to the Office of the Governor (OOG) for administrative purposes. Therefore, Council staff follows the administrative and human resource procedures of the OOG. Additionally, staff has developed internal administrative procedures and standard operating procedures to define processes and timelines for those activities that are not covered by OOG procedures. Furthermore, the Texas Workforce Commission (TWC) serves as the Council's fiscal agent under the Memorandum of Understanding (MOU) for funding and full-time equivalent (FTE) support for the Council's work (see Attachment 20).

G. If key to understanding the division or program, identify funding sources and amounts, including federal grants and pass-through monies. Describe any funding formulas or funding conventions. Please specify state funding sources (e.g., general revenue, appropriations rider, budget strategy, and fees/dues). (If you have already submitted funding source info through the "Agency Program Information" spreadsheet, please limit your response to funding formulas or funding conventions.)

Because the Council does not operate programs or services, funding regarding program or function is not applicable. However, to ensure transparency and accountability, information related to the funding formula specified in TGC §2308.065 for Council support is provided in Section V.E: Funding.

H. Briefly discuss any memoranda of understanding (MOU), interagency agreements, or interagency contracts the agency uses to coordinate its activities and avoid duplication or conflict with other entities that provide similar or identical services or functions to the target population.

As discussed in response to Section VII.G., the OOG has entered into an MOU for Council FTE and budget support with TWC, TEA, THECB, and HHSC. The current MOU remains effective until August 31, 2026.

I. If the division or program works with local, regional, or federal units of government, include a brief description of these entities and their relationship to the agency.

#### **Federal Government Agencies**

Generally, the Council does not work directly with federal government agencies. In some instances, the Council does interact with the regional or national offices of the U.S. Department of Labor. The basis of these interactions would be to seek clarification on workforce law or regulation as it relates to the Council's responsibilities under WIOA, or in the Council's role to assist the Governor with the development or review of various plans as required by federal law. These interactions support the Council's accountability to federal requirements and help ensure that Texas' workforce development system is compliant and aligned with national standards.

#### **Local Unit of Government**

Generally, the Council does not work directly with local units of government, except in coordination with TWC as part of its statutory responsibilities described below. Although not

classified as local units of government, the Council also has occasional interaction with the 28 local workforce development boards in Texas. When the Council was initially created, it had the responsibility to put in place a system of local workforce boards and to act as an advocate for those boards at the state and federal level. Those responsibilities were transferred to the TWC under HB 1863 in 1995.

Currently, as required by state and federal workforce development law, the Council is responsible for reviewing local plans for alignment of workforce development with the system strategic plan for the workforce system and for making recommendations to the Governor regarding their approval.

As has been the case since its inception, the Council is also charged with recommending to the Governor the designation or redesignation of local workforce development areas. In these instances, as well as where the Council is collaborating on specific system-building projects or issues, the Council may interact with local boards. Local boards are required under both state and federal law and are responsible for planning, performance oversight, and evaluation of the workforce programs and services delivered in their local areas and the Council's engagement ensures that these efforts are strategically aligned with state goals.

J. Are there any barriers or challenges that impede the division or program's performance, including any outdated or ineffective state laws? Explain.

No barriers or challenges directly impede the Council's performance related to its primary functions; however, issues and opportunities have been identified in Section IX: Major Issues of the report. There are opportunities to ensure that the Council is consulted or apprised of workforce developments via newly established advisory committees, of which partner agencies are members but the Council is not. Enhancing this communication could better inform system goals and objectives, thereby improving workforce system performance statewide. Another opportunity involves the removal of outdated references to the Council in statute, as this would reduce confusion.

K. Provide any additional information needed to gain a preliminary understanding of the division or program.

Not Applicable.

- L. Regulatory programs relate to the licensing, registration, certification, or permitting of a person, business, piece of equipment, or other entity (e.g., a facility). For each regulatory program, if applicable, describe:
  - Why the regulation is needed
  - The scope of, and procedures for, inspections or audits of regulated entities
  - Follow-up activities conducted when non-compliance is identified
  - Actions available to the agency to ensure compliance
  - Procedures for handling consumer/public complaints against regulated entities

Not Applicable.

M. For each regulatory program, if applicable, provide detailed information on complaint and regulatory actions, including investigations and complaint resolutions. The data should cover the last five fiscal years and give a complete picture of the program's regulatory activity, including comprehensive information from initiation of a complaint to resolution of a case. The purpose of the table is to create uniformity across agencies under review to the extent possible, but you may make small adjustments to the table headings as needed to better reflect your agency's particular programs. If necessary to understand the data, please include a brief description of the data source and/or methodology supporting each measure. In addition, please briefly explain or define terms as used by your agency such as complaint, grievance, investigation, enforcement action, jurisdictional scope, etc.

Not Applicable.

### VIII. Statutory Authority and Recent Legislation

A. Fill in the following tables, listing citations for all state and federal statutes that grant authority to or otherwise significantly impact your agency. Do not include general state statutes that apply to all agencies such as the Public Information Act, the Open Meetings Act, or the Administrative Procedure Act. Provide information on Attorney General opinions from fiscal years 2020-2024 or earlier significant Attorney General opinions that affect your agency's operations.

### TEXAS WORKFORCE INVESTMENT COUNCIL Exhibit 15: Statutes / Attorney General Opinions

#### **Statutes**

Citation/Title	Authority/Impact on Agency
2308.051(a)	The Council acts as a state human resource investment council under the Job Training Reform Amendments of 1992 (29 U.S.C. Section 1792 et seq.) and as a state workforce
	investment board under the Workforce Investment Act of 1998 (Pub. L. No. 105-220).
WIOA Sec. 193	Notwithstanding any other provision of this title, the Secretary may not deny approval
<u>(a)(5)</u>	of a State plan for a covered State, or an application of a covered State for financial
	assistance, under this title or find a covered State (including a state board or
and	Governor), or a local area (including a local board or chief elected official) in a covered
	State, in violation of a provision of this title on the basis that the State proposes to
WIOA Sec. 193	designate or designates a state board, or proposes to assign or assigns functions and
<u>(b)(2)</u>	roles of the state board (including determining the time periods for development and
	submission of a State plan required under section 102 or 103), for purposes of subtitle
	A in accordance with prior consistent State laws.
	The term "prior consistent State laws" means State laws, not inconsistent with the
	Job Training Partnership Act (JTPA), or any other applicable Federal law, that took
	effect on September 1, 1993, September 1, 1995, and September 1, 1997.
2308.101(1)	Promote the development of a well-educated, highly skilled workforce in this state.

Citation/Title	Authority/Impact on Agency
2308.101(2)	Advocate the development of an integrated workforce development system to provide quality services addressing the needs of business and workers in this state.
2308.101(12)	Carry out the federal and state duties and responsibilities of advisory councils under applicable federal and state workforce development laws or regulations.
2308.102(b)	Assume the responsibilities formerly exercised by the following state advisory councils and committees: Apprenticeship and Training Advisory Committee.
2308.103(a)(4)	Provide for the mediation or arbitration of disputes between agencies that perform functions for state and federal programs as provided by this chapter.
WIOA Sec. 101(d)(3)(E)	Assist the Governor in the development and continuous improvement in identification of regions, including planning regions, and the designation of local areas, after consultation with local boards and chief elected officials.
2308.101(3)	Recommend to the Governor the designation or redesignation of workforce development areas for the local planning and delivery of workforce development.
2308.252(a)-(e)	The Governor shall, after receiving the recommendations of the Council, publish a proposed designation of local workforce development areas for the planning and delivery of workforce development.
	<ol> <li>A local workforce development area:</li> <li>is composed of more than one contiguous unit of general local government that includes at least one county;</li> <li>is consistent with either a local labor market area, a metropolitan statistical area, one of the 24 sub-state planning areas, or one of the 10 uniform state service regions; and</li> <li>is of a size sufficient to have the administrative resources necessary to provide for the effective planning, management, and delivery of workforce development.</li> </ol>
	Units of general local government, business and labor organizations, and other affected persons and organizations must be given an opportunity to comment on and request revisions to the proposed designation of a workforce development area.  After considering all comments and requests for changes, the Governor shall make
	the final designation of workforce development areas.
	The Governor may redesignate workforce development areas not more than once every two years. A redesignation must be made not later than four months before the beginning of a program year.
2308.101(4)	Identify and recommend to the Governor incentives to encourage the consolidation, on a regional labor market basis, of local boards/service delivery areas under JTPA or other federal workforce legislation.
2308.101(11)	Develop and recommend to the Governor criteria for the establishment of local workforce development boards.
2308.101(13)	Report periodically to the Governor and the Legislature.
2308.102(a)(1)	Assume the duty to develop, with the assistance of each appropriate state agency, and recommend to the Governor, and report to the Legislature state plans required

Citation/Title	Authority/Impact on Agency
	by applicable federal law in order for the state to receive federal funds.
2308.102(a)(2)	Assume the duty to make policy recommendations to the Governor and the Legislature on goals and priorities for formula and discretionary funds for all applicable programs.
2308.102 (a)(3)	Assume the duty to make recommendations to the Texas Workforce Commission on unemployment insurance issues pertinent to the responsibilities of the Council.
WIOA Sec. 101(d)(4)	Development and updating of comprehensive State performance measures, including State adjusted levels of performance, to assess the effectiveness of the core programs in the State.
2308.104(a)	Develop and recommend to the Governor and report to the Legislature a single strategic plan that establishes the framework for the budgeting and operation of the workforce development system, including school to careers and welfare to work components, administered by agencies represented on the Council. The Council shall annually report to the Governor and the Legislature on the implementation of the strategic plan.
2308.104(b)-(d)	Engage in strategic planning by selecting or developing two types of performance measures. To the fullest extent possible, all measures must be selected from those already developed and approved before September 1, 2001, by one or more state agencies that administer workforce programs. The Council may develop a new measure only if the Council identifies a gap in accountability or determines that at least one state agency administering a workforce program cannot report under the measures developed and approved before September 1, 2001.
	The first type of performance measure consists of Formal measures identifying outcomes that are essentially consistent across all workforce programs. Job placement rates, job retention rates, and wage rates may be included among those measures. The Council may develop or select not more than five Formal measures. The Council shall develop or select each Formal measure in consultation with the state agencies required to report under this subsection. Once approved by the Governor and the Legislative Budget Board, a formal measure becomes part of the state's performance budget and accounting system and applies to each state agency that administers a workforce program.
	The second type of performance measure consists of Less Formal measures to provide information determined by the Council to be essential in development of the strategic plan under this section. Employer participation rates, customer satisfaction levels, and educational attainment may be included among those measures. The Council shall develop or select each Less Formal measure with the approval of the Governor and in consultation with the state agencies required to report under this subsection. The Legislative Budget Board shall provide technical assistance to the Council to ensure that the measures and associated reporting criteria are consistent with the state's performance budget and accounting system. The Council may exempt a state agency that administers a workforce program from any requirement to use a Less Formal measure.
2308.104(e)	The strategic plan recommended by the Council must recognize and address literacy and basic education as activities that are critical to the well-being of individuals and

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	the state without regard to whether the training and education is directed at
	preparing an individual for employment.
2308.104(f)	Include in the strategic plan goals, objectives, and performance measures for the
	workforce development system that involve programs of all state agencies that
	administer workforce programs.
2308.104(g)	On approval of the plan by the Governor, an agency administering a workforce
	program shall use the strategic plan to develop the agency's operational plan.
2308.104(h)	Include in the strategic plan long-range strategies developed by the Council under
	Section 2308.1015 to facilitate the seamless delivery of integrated workforce services
	in this state.
2308.104(i)	Include in the strategic plan the long-range strategies developed by the Council under
	Section 2308.1016 to facilitate the efficient delivery of integrated adult education and
	literacy services in this state.
WIOA Sec. 103	Lead development of a Unified or Combined State Plan (at state option).
<u>(a)(1)</u>	
WIOA Sec. 101	Assist the Governor in the development and continuous improvement of the
(d)(3)(A)	workforce development system by identifying barriers and the means for removing
	barriers to better coordinate, align, and avoid duplication among the programs and
	activities carried out through the system.
WIOA Sec. 101	Assist the Governor in the development and continuous improvement of strategies to
<u>(d)(3)(B)</u>	support the use of career pathways for the purpose of providing individuals, including
	low-skilled adults, youth, and individuals with barriers to employment (including
	individuals with disabilities), with workforce investment activities, education, and
MUOA C 101	supportive services to enter or retain employment.
WIOA Sec. 101	Assist the Governor in the development and continuous improvement of strategies
(d)(3)(C)	for providing effective outreach to and improved access for individuals and employers
	who could benefit from services provided through the workforce development
WIOA Sec. 101	system.  Assist the Governor in the development and continuous improvement of the
(d)(3)(D)	expansion of strategies for meeting the needs of employers, workers, and jobseekers,
(d)(3)(D)	particularly through industry or sector partnerships related to in-demand industry
	sectors and occupations.
WIOA Sec. 101	Assist the Governor in the development and continuous improvement of the one-stop
(d)(3)(F)	delivery system in local areas, including providing assistance to local boards, one-stop
(4)(5)(1)	operators, one-stop partners, and providers with planning and delivering services,
	including training services and supportive services, to support effective delivery of
	services to workers, jobseekers, and employers.
WIOA Sec. 101	Assist the Governor with the development and continuous improvement of strategies
(d)(3)(G)	to support staff training and awareness across programs supported under the
	workforce development systems.
WIOA Sec. 101	Identify and disseminate information on best practices for effective operation of one-
(d)(5)(A)	stop centers relating to the use of business outreach, partnerships, and service
	delivery strategies, including strategies for serving individuals with barriers to
	employment.
WIOA Sec. 101	Identify and disseminate information on best practices for the development of
(d)(5)(B)	effective local boards, which may include information on factors that contribute to

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	enabling local boards to exceed negotiated local levels of performance, sustain fiscal integrity, and achieve other measures of effectiveness.
WIOA Sec. 101	Identify and disseminate information on best practices for effective training programs
(d)(5)(C)	that respond to real-time labor market analysis, that effectively use direct assessment
	and prior learning assessment to measure an individual's prior knowledge, skills,
	competencies, and experiences, and that evaluate such skills, and competencies for
	adaptability, to support efficient placement into employment or career pathways.
WIOA Sec. 101	Develop and review criteria and procedures for use by local boards in assessing the
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(d)(6)(A)	effectiveness and continuous improvements of one-stop centers.
WIOA Sec. 101	Develop and review guidance for the allocation of one-stop center infrastructure
(d)(6)(B)	funds.
WIOA Sec. 101	Develop and review policies relating to the appropriate roles and contributions of
(d)(6)(C)	entities carrying out one-stop partner programs within the one-stop delivery system,
	including approaches to facilitating equitable and efficient cost allocation in such
	system.
WIOA Sec. 101	Develop strategies for technological improvements to facilitate access to, and
(d)(7)(A)	improve the quality of, services and activities provided through the one-stop delivery
	system to include enhancements to digital literacy skills.
WIOA Sec. 101	Develop strategies for technological improvements to facilitate access to, and
(d)(7)(B)	improve the quality of, services and activities provided through the one-stop delivery
	system to include accelerating the acquisition of skills and recognized postsecondary
	credentials by participants.
WIOA Sec. 101	Develop strategies for technological improvements to facilitate access to, and
(d)(7)(C)	improve the quality of, services and activities provided through the one-stop delivery
15/(5/(5/	system to include strengthening the professional development of providers and
	workforce professionals.
WIOA Sec. 101	Develop strategies for technological improvements to facilitate access to, and
(d)(7)(D)	improve the quality of, services and activities provided through the one-stop delivery
(U)(7)(D)	system to include technology that is accessible to individuals with disabilities and
MUOA C 101	individuals residing in remote areas.
WIOA Sec. 101	Develop strategies for aligning technology and data systems across one-stop partner
(d)(8)	programs to enhance service delivery and improve efficiencies in reporting on
	performance accountability measures (including the design and implementation of
	common intake, data collection, case management information, and performance
	accountability measurement and reporting processes and the incorporation of local
	input into such design and implementation, to improve coordination of services
	across one stop partner programs).
WIOA Sec. 101	Develop the allocation formulas for the distribution of funds for employment and
(d)(9)	training activities for adults, and youth workforce investment activities, to local areas
	as permitted.
2308.105	The Governor, with the Council and the Local Workforce Development Boards, shall:
	identify specific barriers to integrated service delivery at the local level; request
	waivers from federal and state regulations; and advocate changes in federal and state
	laws to promote local service integration.
2308.201 -	Develop recommendations periodically in each of the Council's areas of responsibility
2308.203	and submit the recommendations to the Governor. The Governor shall consider the

Citation/Title	Authority/Impact on Agency
	recommendations submitted under this subchapter. The Governor shall approve, disapprove, or modify the recommendations. The Governor shall return the recommendations to the Council to be forwarded as appropriate; or forward an approved or modified recommendation without returning the recommendation to the Council. A recommendation that is not approved, disapproved, or modified by the Governor before the sixtieth day after the date the recommendation is submitted shall be considered approved by the Governor.
	A recommendation that is approved or modified shall be forwarded to the appropriate agency for implementation. A recommendation that is approved or modified and that requires a change in state or federal law shall be forwarded to the appropriate legislative body for its consideration.
	A state agency that is responsible for the administration of human resources or workforce development in this state shall implement a recommendation under this subchapter if the recommendation does not violate a federal or state law. A state agency shall provide requested information to the Council in a timely manner; report on the implementation of the Council's recommendations at the time and in the format requested by the Council; and notify the Governor, the executive director, and the presiding officer of the Council within 30 days if the agency determines that a recommendation cannot be implemented.
2308.205	A state agency represented on the Council shall provide to the Council and each local workforce development board an estimate of fund availability and services provided by the state agency in each local workforce development area.
2308.101(6)	Evaluate the effectiveness of the workforce development system.
2308.101(7)	Use the administrative records of the state's unemployment compensation program and other sources as appropriate in evaluating the workforce development system.
2308.101(9)	Recommend measures to ensure that occupational skills training is provided in occupations that are locally in demand and directed toward high-skill and high-wage jobs.
2308.101(10)	Monitor the operation of the state's workforce development system to assess the degree to which the system is effective in achieving state and local goals and objectives.
2308.101(14)	Provide annual reports to the Governor and the Legislature, including an annual report analyzing work development programs that focus on welfare to work initiatives.
2308.1015 (a)-(c)	To facilitate the seamless delivery of integrated workforce services in this state, the Council shall evaluate programs administered by agencies represented on the Council to identify any duplication of or gaps in the services provided by those programs; and any other problems that adversely affect the seamless delivery of those services; and develop and implement immediate and long-range strategies to address problems identified by the Council.
	The Council shall include in the Council's annual report to the Governor and the Legislature a list of specific problems identified by the Council to be addressed by the Council in the following year; and the results of any measures taken by the Council to

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	address problems identified by the Council.
	The long-range strategies developed by the Council must identify each agency represented on the Council that is responsible for implementing each strategy; and include a timeframe for the implementation of each strategy.
2308.1016 (a)-(c)	To facilitate the efficient delivery of integrated adult education and literacy services in this state, the Council shall:
	<ul> <li>evaluate adult education and literacy programs administered by the Texas Education Agency and the Texas Workforce Commission to identify:         <ul> <li>any duplication of planning by those agencies at the state and local</li> </ul> </li> </ul>
	<ul> <li>level;</li> <li>any lack of adequate client information sharing between those agencies; and</li> </ul>
	<ul> <li>any other problems that adversely affect the delivery of those programs by the agencies;</li> </ul>
	<ol><li>develop and implement immediate and long-range strategies to address problems identified by the Council; and</li></ol>
	3. develop a system to monitor and evaluate the wage and employment outcomes of students who participate in the adult education and literacy programs administered by the Texas Education Agency, including students referred to the programs by the Texas Workforce Commission or local workforce development boards, to ensure the effectiveness of the programs in improving the employment-related outcomes of the students.
	The Council shall include in the Council's annual report to the Governor and the Legislature a list of specific problems identified by the Council to be addressed by the Council in the following year; and the results of any measures taken by the Council to address problems identified by the Council.
	The long-range strategies developed by the Council must identify the agency responsible for implementing each strategy; and include a schedule for the implementation of each strategy.
2308.106	The division (Texas Workforce Commission, Workforce Division) shall assist a local workforce development board in designing effective measures to accomplish the board's responsibilities under Section 2308.302. (See below)
	<ul> <li>§2308.302. RESPONSIBILITY OF BOARD.</li> <li>a) A board is directly responsible and accountable to the division for the planning and oversight of all workforce training and services and the evaluation of all workforce development programs in the workforce development area. A board shall ensure effective outcomes consistent with statewide goals, objectives, and performance standards approved by the Governor.</li> <li>b) A board is directly responsible to the division for the operational planning and administration of all workforce training and services funded through the Texas Workforce Commission to the local area.</li> </ul>

Citation/Title	Authority/Impact on Agency
2308.151	Establish, with the approval of the Governor, a funding formula to determine the level of support each agency administering a workforce program must provide to operate the Automated Follow-up and Evaluation System administered by the Texas Workforce Commission under Subchapter E, Chapter 302, Labor Code.
Subchapter E. Chapter 302.085 Labor Code	The Council and each local workforce development board shall use the information developed under this subchapter (workforce development evaluation system) and other information to determine whether a specific workforce training and services program administered by or funded by the local board is effective and whether to continue the training and services program.
<u>2308.268</u> – <u>2308.269</u>	Provide technical assistance to local workforce development areas that do not meet performance standards established under this chapter and other applicable federal and state law.
	If a local workforce development area does not meet performance standards for two consecutive program years, the Council shall develop and impose a reorganization plan that may include restructuring the board; prohibiting the use of designated service providers, including state agencies; and merging the local workforce development area with another area. If nonperformance is directly attributable to a specific state agency, the Council may select an alternative provider.
	A local workforce development area that is the subject of a reorganization plan may appeal to the Governor to rescind or revise the plan not later than the thirtieth day after the date of receiving notice of the plan.
	If, as a result of financial and compliance audits or for another reason, the Texas Workforce Commission finds a substantial violation of a specific provision of this chapter or another federal or state law or regulation and corrective action has not been taken, the Council shall issue a notice of intent to revoke all or part of the affected local plan; issue a notice of intent to cease immediately reimbursement of local program costs; or impose a reorganization plan under Section 2308.268 for the local workforce development area.
WIOA Sec. 101(d)(1)	Assist with the development, implementation, and modification of the State Plan.
WIOA Sec. 101(d)(10) 2308.101(5)	Assist with the development and continuous improvement of the workforce development system in the State, including the preparation of the annual reports.  Review plans for local workforce development and make recommendations to the Governor for approval.
WIOA Sec. 108(e)	Review local plans submitted to the Governor for approval and consideration within the 90-day period.
WIOA Sec. 121(g)(5)	May review and modify State and local plans as part of the biennial process for one-stop certification.
WIOA Sec. 101 (d)(2)	Assist with the review of statewide policies, of statewide programs, and of recommendations on actions that should be taken by the State to align workforce development programs in the State in a manner that supports a comprehensive and streamlined workforce development system in the State, including the review and

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	provision of comments on the State plans, if any, for programs and activities of one-
	stop partners that are not core programs.
<u>2308.101(8)</u>	Encourage, support, or develop research and demonstration projects designed to
	develop new programs and approaches to service delivery.
Govt. Code, Title 4,	At the direction of the Governor, the executive director of the department (Texas
Subtitle F., Section	Department of Economic Development) or its successor shall work with each state
481.0215(b)	agency that administers a program relating to job training or job creation, including
	the Texas Workforce Commission, the Texas Workforce Investment Council, the
	Department of Agriculture, and the Office of Rural Affairs, to address the challenges
	facing the agencies relating to job training and job creation.
<u>2308.005</u>	The Council is subject to Chapter 325 (Texas Sunset Act). Unless continued in existence
	as provided by that chapter, the council is abolished September 1, 2027. The council
	shall be reviewed during the period in which the Texas Workforce Commission is
	reviewed.
2308.051(b)	The Council is attached for administrative purposes to the Office of the Governor.
2308.059	The Office of the Governor shall serve as the Council's fiscal agent.
2308.060 (a)-(c)	The presiding officer of the Council shall appoint an executive director of the Council.
	The executive director shall report to the presiding officer of the Council; perform
	duties assigned by the Council and under state law; administer the daily operations of
	the Council; appoint officers, accountants, attorneys, experts and other employees to
	perform the Council's powers and duties under this chapter; and delegate authority
	to persons appointed under this section as the executive director considers to be
	reasonable and proper for the effective administration of the Council.
<u>2308.060</u>	The executive director shall adopt the administrative and personnel policies and
	procedures of the Council's fiscal agent.
2308.061(a)	The Council shall have an independent staff with expertise sufficient to perform all
	duties and responsibilities of the Council.
2308.061(b)	The staff may be supplemented by staff from other state agencies who are
	temporarily assigned to assist with special projects.
2308.065(a)	Federal funding for the operation of the Council shall be allocated according to federal
	requirements.
2308.065(b)	A state agency represented on the Council shall provide funds for the support of the
	Council in proportion to the agency's financial participation in the workforce
	development system. The Council, with the Governor's approval, shall establish a
	funding formula to determine the level of support each agency must provide.
2308.101(c)	The members of the Council shall develop and implement policies that clearly
	separate the policy-making responsibilities of the members of the Council; and the
	management responsibilities of the executive director; and provide the public with a
	reasonable opportunity to appear before the Council and to speak on any issue under
2000 4004 1441	the jurisdiction of the Council.
2308.103(a)(1)	The Council may adopt rules essential to the internal functions and duties of the
	Council.
2308.103(a)(2)	The Council may make expenditures; enter into contracts with public, private, and
	nonprofit organizations or agencies; require reports to be made; conduct
	investigations; and take other actions necessary or suitable to fulfill the Council's

Citation/Title	Authority/Impact on Agency
	duties under this chapter.
2308.103(a)(3)	The Council may delegate to the executive director any power or duty imposed on the Council by law, including the authority to make a final decision.
2308.103(a)(5)	The Council may accept gifts, grants, and donations of money, goods, or services to be used only to accomplish the Council's duties under this chapter.
2308.103(a)(6)	The Council may share employees with another state agency.
2308.103(b)	The Council may not adopt rules related to the operation of workforce development, or delegate to the executive director the authority to adopt rules.
2308.107 (a)–(c)	The Council shall maintain a file on each written complaint filed with the Council. The file must include:  a) the name of the person who filed the complaint;  b) the date the complaint is received by the Council;  c) the subject matter of the complaint;  d) the name of each person contacted in relation to the complaint;
	e) a summary of the results of the review or investigation of the complaint; and f) an explanation of the reason the file was closed, if the Council closed the file without taking action other than to investigate the complaint.
	The Council shall provide to the person filing the complaint and to each person who is a subject of the complaint a copy of the Council's policies and procedures relating to complaint investigation and resolution.
	The Council, at least quarterly until final disposition of the complaint, shall notify the person filing the complaint and each person who is a subject of the complaint of the status of the investigation unless the notice would jeopardize an undercover investigation.
2308.108	The members of the Council shall develop and implement a policy requiring the executive director and Council employees to research and propose appropriate technological solutions to improve the Council's ability to perform its functions.
	The technological solutions must:  a) ensure that the public is able to easily find information about the Council on the internet; persons who want to use the Council's services are able to interact with the Council through the Internet and access any service that can be provided effectively through the internet;  b) be cost-effective; and  c) be developed through the Council's planning processes.
2308.159	The executive director or the executive director's designee shall provide to Council employees information and training on the benefits and methods of participation in the state employee incentive program.
2308.109	The Council shall provide advice to the Governor and the legislature on the development of a statewide system of industry-defined and industry-recognized skill standards and credentials for all major skilled occupations that:  a) provide strong employment and earnings opportunities in this state; and b) require less than a baccalaureate degree.

Citation/Title	Authority/Impact on Agency
	<ul> <li>The Council shall: <ul> <li>a) validate and recognize nationally established skill standards to guide curriculum development, training, assessment, and certification of workforce skills;</li> <li>b) convene industry groups to develop skill standards and certification procedures for industries and occupations in which standards have not been established or adopted and recognize the skill standards and certification procedures;</li> <li>c) review the standards developed by other states and foreign countries and enter into agreements for mutual recognition of standards and credentials to enhance portability of skills; and</li> <li>d) promote the use of standards and credentials among employers.</li> </ul> </li> </ul>
29 U.S. Code § 725 (b)(1)(A)	The Council shall:  a) report on the council's duties under this section to the Governor; and b) provide annual reports on the council's duties under this section to the Governor, the division, and the legislature.  The [State Rehabilitation] Council shall be composed of—  (xi) at least one representative of the State workforce development board.

**Table 21 Exhibit 15 Statutes** 

#### **Attorney General Opinions**

Not applicable.

B. Provide a summary of significant legislation regarding your agency by filling in the tables below or attaching information already available in an agency-developed format. Briefly summarize the key provisions. For bills that did not pass but were significant, briefly explain the key provisions and issues that resulted in failure of the bill to pass (e.g., opposition to a new fee or high cost of implementation). Place an asterisk next to bills that could have a major impact on the agency. See Exhibit 16 Examples.

Not applicable.

### IX. Major Issues

#### <u>Issue Number 1 – Administration of the Texas Skill Standards</u>

#### A. Brief Description of Issue

Should the Council be required to administer Texas Skill Standards (TSS)?

The Council's 2015 Sunset report noted a decrease in the development of new skill standards and the number of new programs and colleges seeking recognition from the state, and the report

suggested that this decline may be linked to trends at both the state and federal levels towards broader recognition of industry certifications. Industry certifications similarly define the competencies required in an occupation and provide a credential based on an established standard.

#### B. Discussion

**Background**. Include enough information to give context for the issue. Information helpful in building context includes:

- What specific problems or concerns are involved in this issue?
- Who does this issue affect?
- What is the agency's role related to the issue?
- Do any sections of state law create or contribute to the issue?
- Is there any previous legislative action related to the issue?

#### <u>Discussion—Texas Skill Standards System</u>

Preparing workers with the skills and knowledge required for jobs in today's economy is a significant goal of the Texas workforce system. Job specifications and worker characteristics are sometimes called competency profiles or skill standards. Skill standards serve as a tool for industry to communicate its occupational requirements to education and training providers. Facilitating industry groups to develop skill standards was originally one of the main functions of the Texas skill standards system, which is composed primarily of middle-skill occupations.

#### Background

In 1995, the 74<sup>th</sup> Texas Legislature established the Texas Skill Standards Board (TSSB) to develop a voluntary statewide system of industry-defined and industry-recognized skill standards. Over the next 22 years, TSSB recognized skill standards that met its validity and reliability criteria, whether those standards were developed within the state or endorsed by a national or state industry group or government body.

At its inception, the purpose of defining skill standards was, first and foremost, to provide objective, employer-validated standards against which skills training programs could be measured. These programs could include secondary or postsecondary education programs, apprenticeship programs, on-the-job-training programs, or those operated by community-based organization training providers funded through federal or state mechanisms. Ultimately, the application of skill standards to the education and training system was meant to smooth the school-to-work transition for the significant percentage of the population that chose not to pursue a postsecondary degree.

In 1999, the 75<sup>th</sup> Texas Legislature amended the TSSB mandates with the passage of HB 3431. TSSB's role was to facilitate industry groups defining the content of major skilled, high-demand, high-wage sub-baccalaureate (or middle-skill) occupations; and to identify the knowledge, skills,

and proficiency levels required by workers to perform the jobs. This bill charged the TSSB with four specific mandates:

- 1. validate and recognize nationally established skill standards to guide curriculum development, training, assessment, and certification of workforce skills;
- 2. convene industry groups to develop skill standards and certification procedures for industries and occupations in which standards have not been established or adopted and recognize the skill standards and certification procedures;
- 3. review standards developed by other states and nations and enter into agreements for mutual recognition of standards and credentials to enhance portability of skills; and
- 4. promote the use of standards and credentials among employers.

TSSB developed an initiative to recognize community and technical college programs that incorporated skill standards into their curricula and the guidance and requirements for colleges applying for program recognition. Colleges can promote the recognition to employers as evidence that they are preparing their graduates with the skills and knowledge specified by industry standards. The program recognition policy includes a renewal requirement every three years.

Following a Sunset review, HB 1606 of the 84<sup>th</sup> Legislature transferred the statutory functions of TSSB to the Council in September 2015 and charged it with developing and maintaining the skill standards system. The 2015 Sunset report additionally provided that, "Over the years, the development of new skill standards and the number of new programs and colleges seeking recognition from the state has decreased, with most of the workload shifting to the renewal of existing programs.... While likely a natural evolution of the program, this decreased activity could also be due to a move at both the state and federal levels to recognize industry certifications."

Since 2015, the Council has provided one professional staff full-time equivalent (FTE) and a percentage of administrative support to TSS. The Council is funded through the Memoranda of Understanding (MOU) for Council staff and operations that has been previously noted. As was raised in 2013, the continued FTE support to the TSS results in the loss of staff capacity that would otherwise be devoted to fulfillment of the Council's numerous mandates.

Additionally, in 2021, the 87<sup>th</sup> Texas Legislative Session passed HB 3938, creating the Industry-Based Certification Advisory Council (IBC Advisory Council). The IBC Advisory Council is required to create an inventory of industry-recognized credentials and certificates available to high school students in career and technical education (CTE). Additionally, the IBC Advisory Council advises the Texas Workforce Commission on the alignment of public high school CTE programs to meet current and future workforce needs.

While IBCs serve as a credential that validates an individual's ability to perform the skill to the industry standard, TSS provide industry-standard occupational skill requirements to state and higher education institutions for the purpose of developing programs. In consideration of this issue, questions include the following:

• Is there still a need for the TSS recognition of programs with the recent focus on industry-recognized certificates and certifications?

- Is there a possibility for program alignment with secondary CTE or will the scope of TSS remain the development of standards and recognition of postsecondary CTE programs?
- Does the TSS recognition process duplicate or overlap with any of the processes undertaken by the IBC Council or other entities?

In FY 2024, skill standards for 56 occupations were posted in the public domain on the TSS website and maintained at 19 community and technical colleges throughout the state. The Council did not receive any applications from community or technical colleges for new program recognition; however, the Council processed program recognition renewal applications for 11 of the 12 programs scheduled to expire in FY 2024. In FY 2024, there were a total of 41 recognized programs at 19 community and technical colleges in Texas. Those programs produced 1,032 graduates prepared with the industry-specified skills and knowledge. Students who earn certificates receive a TSS seal affixed to the certificate. The industries associated with the skill standards for the 56 posted occupations could also be affected.

#### C. Possible Solutions and Impact

The Council's 2013 SER noted an increase in both state and federal recognition and use of industry certifications. Similar to skill standards, the competencies required of an occupation are defined by industry in the development of such certifications. Given that this trend has continued, it could be argued that the Council has essentially fulfilled its mandate regarding TSS, and that policy, in a broad and systemic sense, has caught up to the work assigned to TSS in developing and using standards.

Consideration should be given as to whether, or the extent to which, Texas needs to continue the functions of the current mandate for skill standards. If it is determined that the Council should continue to monitor alignment of TSS with workforce system goals and objectives, a member agency of the Council serving on the IBC Advisory Council and/or with program oversight regarding institutional offerings and credentials of value and institutions could maintain and promote TSS. The Council's role could be the validation and recognition of standards, with a member agency of the Council charged with developing TSS, recommending updates, and promoting TSS in line with the primary roles and responsibilities of the agency.

# <u>Issue Number 2 – Funding Formula for the Automated Follow-Up and Evaluation</u> System

#### A. Brief Description of Issue

The Council is required to develop and recommend to the Governor for approval, a funding formula for agencies' contributions to the Automated Follow-Up and Evaluation System and report administered by the Texas Workforce Commission (TWC) under Texas Labor Code Subchapter E, Chapter 302. The administration of this requirement is inefficient.

#### B. Discussion

In its previous Sunset reviews, it was noted that the Council had several mandated duties and responsibilities that had, since their inception, become defunct or had been repealed in state law or were inconsistent with the Council's powers and duties as amended by HB 1863, 74<sup>th</sup> Legislature.

One issue was the inconsistency that existed in Council statute related to the establishment and maintenance of an automated participant follow-up system and the requirement for an analysis, by occupation and training provider, of each workforce program. In 1995, HB 1863 transferred to the newly created TWC the responsibility for a labor market information system. After that transfer, the Council was unable to carry out its mandate related to the Automated Follow-Up and Evaluation System as it no longer had staff with labor market information expertise. From that time forward, the TWC matched data and authored the annual automated follow-up report.

SB 427, passed by the 77<sup>th</sup> Texas Legislature, required the Council to develop a funding formula for workforce agencies' contributions to the Automated Follow-Up and Evaluation System and related report. The Council considered and the Governor approved the follow-up formula in 2002. Since that time, each fall the Council:

- collects the number of education/training seed records from TWC and the Texas Higher Education Coordinating Board (THECB);
- 2. collects cost data related to matching those seed records and compiling the follow-up report;
- 3. applies the funding formula to determine each workforce agency's contribution;
- 4. notifies each agency of the number of seed records matched and the cost for the next report;
- 5. advises TWC of the amount that should be billed, by agency, to recoup the costs of administering the follow-up system; and
- 6. addresses agency inquiries related to the implementation of this process.

TWC then bills each agency for the amount of their contribution and distributes those amounts collected to offset follow-up system costs at TWC and THECB.

In its Sunset bill in 2003, the responsibility for the Automated Follow-up and Evaluation System and report was transferred to TWC. That bill also contained a provision that continued the charge to the Council to establish, with approval by the Governor, a funding formula to determine the level of support that each agency administering a workforce program must provide to operate the Automated Follow-up and Evaluation System administered by the TWC under Texas Labor Code Subchapter E, Chapter 302.

The following is an excerpt summarizing findings and recommendations from a 2008 survey the Council conducted across partner agencies participating in the follow-up study:

Agencies are not using the follow-up report. The survey indicated that only one partner agency, TWC, uses the follow-up system report, but in a very limited format. None of the remaining five agency partners use the report. Reasons for limited or no use of the follow-up report include:

lack of usefulness,

- inconsistent terminology,
- limited/outdated information, and
- reported elsewhere/duplicative.

A 2005 survey sampling local workforce development boards' use of the follow-up report found that the report is not being used by the boards, and that boards rely on TWC's TWIST data system to get data and information for decision-making, planning and program evaluation.

Evaluation of prior reports indicates that only TWC and THECB are providing data and analysis for the follow-up report; also, [the Texas Education Agency] is providing information on only public education. No other agency data or analysis has been included since the 2004 published follow-up report.

#### *Recommendations*

Based on the finding, the Council should not revise the follow-up formula. Instead, it should recommend to TWC that the statute be revised or removed, due to significant duplication in reporting of data across multiple entities and that lack of use of the report by all but one agency.

Statutory changes would include: Changes to the state statute (Labor Code, Subchapter E. Chapter 302) to remove the requirement for the follow-up system and report section.

Removal of the Council's charge (Government Code, Section 2308.151[c]) to determine formula costs for evaluation system.

Note: TWC has replaced its legacy <u>Workforce Information System of Texas (TWIST)</u> with a new <u>Workforce Case Management System (WF CMS)</u>, using WorkInTexas.com as the platform. This transition is part of TWC's effort to modernize its technology and improve efficiency in managing workforce services. The WF CMS, implemented in January 2024, offers a more sustainable and cohesive technology solution for various TWC programs and services.

The Council's 2015 Sunset bill did not address these concerns; therefore, the issue persists. The Council continues to operate and apply the funding formula portion of the Automated Follow-up and Evaluation System study by collecting seed record and cost data, applying the funding formula to calculate each agency's contribution, notifying each agency of the records and costs, then advising TWC of the billing costs.

#### C. Possible Solutions and Impact

Given that both TWC and THECB have MOUs with other agencies to match education/training and employment records, the funding formula and implementation process could be perceived as an add-on to an accepted MOU process.

TWC and THECB could incorporate their costs for matching seed records and producing the report into current MOUs with workforce partner agencies, if necessary. Alternatively, TWC could

be charged with establishing for the Governor's approval and applying the funding formula for the Automated Follow-up and Evaluation System.

#### <u>Issue Number 3 – Legislation Cleanup</u>

#### A. Brief Description of Issue

Current statute includes outdated or inaccurate references to the Council.

#### B. Discussion

These outdated or inaccurate references to the Council in statute could cause confusion and inefficiency for partner agencies or other stakeholders of the workforce system.

- 1. GOVERNMENT CODE CHAPTER 497. INDUSTRY AND AGRICULTURE; LABOR OF INMATES. In 2003, the 78<sup>th</sup> Texas Legislature enacted the Council's Sunset legislation that continued the Council and renamed it from the Council on Workforce and Economic Competitiveness to the Texas Workforce Investment Council. In renaming the Council, SB 281 corrected all previous statutory references to the Council by the former name. However, the bill mistakenly updated the Council's name in a statute that no longer applied to the Council, but to TWC. TGC §497.094(b) refers to the Council regarding an MOU with local workforce boards to provide certain employment assistance programs to formerly incarcerated individuals. This appears to be a remnant of the time when the Council administered programs and serviced as an agency, but TWC has since taken over these duties, leaving the Council as a purely strategic and neutral entity. That is, this is a former duty of the Council that no longer applies.
- 2. GOVERNMENT CODE CHAPTER 481. TEXAS ECONOMIC DEVELOPMENT AND TOURISM OFFICE. This section simply contains an outdated reference to the Council as the Council on Workforce and Economic Competitiveness. The Economic Development and Tourism (EDT) Sunset bill, HB 1515 (88th Regular Session), did not amend this specific reference.

#### C. Possible Solutions and Impact

The Council's new Sunset bill could include corrections to these references and amend outdated and inaccurate information. This may help partner agencies and stakeholders better understand the Council's role in the workforce system, leading to better outcomes and greater efficiency.

D. What key obstacles impede your agency's ability to achieve its objectives?

Not applicable.

E. What, if any, agency or program functions does your agency perform that are no longer serving a clear and ongoing purpose? Could any agency functions be eliminated so agency resources could be better directed elsewhere? If so, which?

Not applicable.

F. Aside from acquiring additional staff or funding, what are your agency's biggest opportunities for improvement in the future? For example, are there other programs or duties the agency could take on to better carry out its mission?

Not applicable.

#### X. Other Contacts

A. Fill in the following tables with updated information on people with an interest in your agency. Be sure to include their most recent email address.

### TEXAS WORKFORCE INVESTMENT COUNCIL Exhibit 17: Other Contacts

#### **Interest Groups**

(groups affected by agency actions or that represent others served by or affected by agency actions)

<b>Contact Person</b>	Title / Relationship	Agency / Organization	Email Address
Vacant	Director	Texas Association of Workforce Boards	TBD
Robert Orzabal	Chair	Avinext/Texas Association of Workforce Boards/Workforce Solutions Brazos Valley	Local board program manager: vmorrison@bvcog.org

**Table 25 Exhibit 17 Interest Groups** 

#### Interagency, State, or National Associations

(that serve as an information clearinghouse or regularly interact with your agency)

<b>Contact Person</b>	Title / Relationship	Agency / Organization	Email Address	
Jack Porter	Program Director, Training and Employment	National Association of State Workforce Board Chairs/ staffed by the National Governors Association Center for Best Practices//	naswa@naswa.org	
Brad Turner-Little	President and CEO	National Association of Workforce Boards/ President and CEO/ Brad Turner-Little	nawb@nawb.org	
Frank Stluka	Regional Administrator	U.S. Department of Labor, Region IV	RO4-RA-DAL@dol.gov	
Peggy Schmidt	Chair (effective 11/1/2025)	Rehabilitation Council of Texas/	admin@src-texas.org	
Jordan Smelley	Vice-Chair (effective 11/1/2025)	Rehabilitation Council of Texas/	admin@src-texas.org	

Table 26 Exhibit 17 Interagency, State, and National Associations

### Liaisons at Other State Agencies

(with which your agency maintains an ongoing relationship, e.g., the agency's assigned analyst at the Legislative Budget Board or attorney at the Attorney General's office)

<b>Contact Person</b>	Title / Relationship	Agency / Organization	Email Address	
Alaina Zachmann Program Specialist for Commissioner Representing Labor		Texas Workforce Commission	alaina.zachmann@twc.texas.gov	
Alberto Trevino	Commissioner Representing Labor	Texas Workforce Commission	Alberto.trevino@twc.texas.gov	
April Zamora	Director of the Reentry and Integration Division	Texas Department of Criminal Justice	april.zamora@tdcj.texas.gov	
Ashley Koonce	College and Career Readiness Administrator; Data/Annual System Evaluation Report	Windham School District	Ashley.Koonce@wsdtx.org	
Brian Owens	Chief of Staff to the Commissioner Representing Employers	Texas Workforce Commission	brian.owens@twc.texas.gov	
Bryan Collier	Executive Director	Texas Department of Criminal Justice	bryan.collier@tdcj.texas.gov	
Vacant	Chair and Commissioner Representing the Public	Texas Workforce Commission		
Connie Simon	Manager, Workforce Development Programs and Education Reentry; Data/Annual System Evaluation Report	Texas Juvenile Justice Department	connie.simon@tjjd.texas.gov	
Nathan McDaniel	Chief of Staff	Texas Juvenile Justice Department	nathan.mcdaniel@tjjd.texas.gov	
Jade Ybarra	Administrative Support for Commissioner Representing Labor	Texas Workforce Commission	jade.ybarra@twc.texas.gov	
Jennifer Colehower	Director, Office of Strategy Development and Business Transformation; Data/Annual System Evaluation Report	Texas Workforce Commission	jennifer.colehower@twc.texas.gov	
Joe Esparza	Commissioner Representing Employers	Texas Workforce Commission	joe.esparza@twc.texas.gov	
Julia Mercado	Chief of Staff for Commissioner Representing the Public	Texas Workforce Commission	julia.mercado@twc.texas.gov	
Kimberly Watson	Chief of Staff for Commissioner Representing Labor	Texas Workforce Commission	kimberly.watson@twc.texas.gov	
Kristina Hartman	Superintendent	Windham School District	kristina.hartman@wsdtx.org	

Mary York	Director, Workforce Development; Workforce Division Director	Texas Workforce Commission	mary.york@twc.texas.gov	
Shandra Carter	Executive Director	Texas Juvenile Justice Department	shandra.carter@tjjd.texas.gov	
Tammy Martin	Director, Vocational Rehabilitation	Texas Workforce Commission	tammy.martin@twc.texas.gov	
Thomas Palladino	Executive Director	Texas Veterans Commission	thomas.palladino@tvc.texas.gov	
Valarie Londrie	Director, College, Career and Military Prep	Texas Education Agency	valarie.londrie@tea.texas.gov	
Marcette Kilgore	Director, Career and Technical Education	Texas Education Agency	Marcette.kilgore@tea.texas.gov	
Monica Martinez	Ex-Officio Member Designee; Associate Commissioner, Standards and Programs/MOU Contact	Texas Education Agency	Monica.martinez@tea.texas.gov	
Randy Townsend	Ex-Officio Member Designee; Deputy Exec. Director/MOU Contact	Texas Workforce Commission	randy.townsend@twc.texas.gov	
Maurice McCreary	Ex-Officio Member Designee	Health and Human Services	Maurice.McCreary@hhs.texas.gov	
Lee Rector	Ex-Officio Member Designee; Associate Commissioner, Workforce Education/MOU Contact	Texas Higher Education Coordinating Board	lee.rector@highered.texas.gov	
Molly Regan	Policy/SNAP E&T Plan	Health and Human Services	molly.regan@hhs.texas.gov	
John Briscoe	Policy/SNAP E&T Plan	Health and Human Services	john.briscoe@hhs.texas.gov	
Carla Steffen	Chief Financial Officer/MOU Contact	Texas Education Agency	carla.steffen@tea.texas.gov	
Michele Gizelbach	Budget Director/MOU Contact	Texas Education Agency	michele.gizelbach@tea.texas.gov	
Karen Ray	General Counsel/MOU Contact	J Health and Human Services karen.ray@hhsc.texas.		
Dylan Dobecki	Attorney/MOU Contact	ct Health and Human Services dylan.dobecki@hhs.texa		
Nichole Bunker- Henderson	General Counsel/MOU Contact	Texas Higher Education Coordinating Board	nichole.bunker- henderson@highered.texas.gov	
Chris Nelson	Chief Financial Officer/MOU Contact	Texas Workforce Commission chris.nelson@twc.texa		
Les Trobman	General Counsel/MOU Contact	Texas Workforce Commission	les.trobman@twc.texas.gov	

Colette Pena	Assistant General Counsel/MOU Contact	Texas Workforce Commission	colette.pena@twc.texas.gov
Breana Gibson	Contract Manager/MOU Contact	Texas Workforce Commission	breana.gibson@twc.texas.gov
Josie Brunner	Data/Annual System Evaluation Report	Texas Education Agency	josie.brunner@tea.texas.gov
Rachel Slack	Data/Annual System Evaluation Report	Texas Workforce Commission	rachel.slack@twc.texas.gov
Raul Ortiz	Data/Annual System Evaluation Report	Texas Higher Education Coordinating Board	raul.ortiz@highered.texas.gov
Jason Clark	Data/Annual System Evaluation Report	Texas Department of Criminal Justice	Jason.Clark@tdcj.texas.gov
Rebecca Waltz	Data/Annual System Evaluation Report	Texas Department of Criminal Justice	rebecca.waltz@tdcj.texas.gov
John Williams	Data/Annual System Evaluation Report	Texas Veterans Commission	john.williams@tvc.texas.gov
Anna Baker	Data/Annual System Evaluation Report	Texas Veterans Commission	anna.baker@tvc.texas.gov
Katharine Tamez	Data/Annual System Evaluation Report	Texas Veterans Commission	katharine.tamez@tvc.texas.gov
Robert Hetzel	Data/Annual System Evaluation Report	Texas Veterans Commission	robert.hetzel@tvc.texas.gov
Mahalia Baldini	Adult Education	Texas Workforce Commission	mahalia.baldini@twc.texas.gov
Reagan Miller	Child Care	Texas Workforce Commission	reagan.miller2@twc.texas.gov
Lori Knight	Educational Outreach	Texas Workforce Commission	lorena.knight@twc.texas.gov
Joel Mullins	Policy and Board Support	Texas Workforce Commission	joel.mullins@twc.texas.gov
Shirley Jones	Policy/WIOA State Plans	Texas Workforce Commission	shirley.jones@twc.texas.gov

**Table 27 Exhibit 17 Liaisons at Other State Agencies** 

#### XI. Additional Information

A. Texas Government Code, Section 325.0075 requires agencies under review to submit a report about their reporting requirements to Sunset with the same due date as the SER. Include a list of each agency-specific report the agency is required by statute to prepare and an evaluation of the need for each report based on whether factors or conditions have changed since the statutory requirement was put in place. Please do not include general reporting requirements applicable to all agencies, reports that have an expiration date, routine notifications or notices, posting requirements, federally mandated reports, or reports required by G.A.A. rider. If the list is longer than one page, please include it as an attachment. See Exhibit 18 Example.

Please see Attachment 5 for the full list of reports the Council produces.

# TEXAS WORKFORCE INVESTMENT COUNCIL Exhibit 18: Evaluation of Agency Reporting Requirements

Report Title	Legal Authority	Due Date and Frequency	Recipient	Description	Is the Report Still Needed? Why?
Texas Workforce Investment Council Annual Evaluation Report – <b>Texas Skill</b> <b>Standards update</b>	TGC §2308.109	Annually – no due date specified	The Texas Legislature and Governor	This section of the Council's Annual Evaluation Report provides updates on the progress of Texas Skills Standards program recognition.	No significant changes have removed the need for this report. It is still informative and relevant to the Council's strategic planning role in the workforce.
Texas Workforce Investment Council Annual Evaluation Report – Welfare to Work Initiatives	TGC §2308.101(14)	Annually – no due date specified	The Texas Legislature, the Governor, and the Texas Workforce Commission (TWC)	This section of the Council's Annual Evaluation Report provides updates on workforce development programs that focus on welfare to work initiatives.	•
Texas Workforce Investment Council Annual Evaluation Report – Adult Education and Literacy Services Evaluation	TGC §2308.1016	Annually – no due date specified	The Texas Legislature and Governor	This section of the Council's Annual Evaluation Report evaluates the adult education and literacy services administered by the Texas Education Agency (TEA) and TWC.	changes have removed the need
Texas Workforce Investment Council Annual Evaluation Report	TGC §2308.104(a)	Annually – no due date specified	The Texas Legislature and Governor	The Council's Annual Evaluation Report reviews the implementation of the workforce system strategic plan, including progress on the goals, objectives, and performance measures for the system and the state agencies that administer workforce programs.	for this report. It is still informative and relevant to the

Report Title	Legal Authority	Due Date and Frequency	Recipient	Description	Is the Report Still Needed? Why?
Texas Workforce Investment Council Annual Evaluation Report – Evaluating and Reporting on the Delivery of Integrated Workforce Services	TGC §2308.1015	Annually – no due date specified	The Texas Legislature and Governor	evaluates and reports on the	changes have removed the need for this report. It is still informative and relevant to the Council's strategic planning role in the workforce.

**Table 28 Exhibit 18 Agency Reporting Requirements** 

Note: If more than one page of space is needed, please provide this chart as an attachment, and feel free to convert it to landscape orientation or transfer it to an Excel file.

# B. Does the agency's statute use "person-first respectful language" as required by Texas Government Code, Section 325.0123? Please explain and include any statutory provisions that might supersede or create challenges in implementing these changes.

The Council's enabling statute (TGC §2308) does not make an applicable reference to persons with disabilities of an intellectual nature or otherwise. The only capacities in which the statute mentions disability is under §2308.052 and §2308.056. The former simply states that appointments to the Council will be made without consideration of disability, while the latter explains that a non-ex officio member can be removed from the Council if the member "cannot, because of illness or disability, discharge the member's duties for a substantial part of the member's term." Neither mention appears to conflict with relevant statute regarding respectful terms and language.

# C. Please describe how your agency receives and investigates complaints about the agency and its operations.

The Council is administratively attached to the Office of the Governor (OOG) under TGC §2308.051. In addition, TGC §2308.059 designates the OOG as the Council's fiscal agent, and §2308.060 requires the executive director of the Council to adopt the administrative and personnel procedures of the Council's fiscal agent. In accordance with these state mandates, the Council follows OOG procedure(s) for complaint processing and resolution. Council staff maintains files on all complaints, tracks resolution status, and maintains documentation as required by the OOG. Additionally, a complaint resolution procedure is laid out in TGC §2308.107 (a)–(c). The following procedure complies with both OOG policy and relevant state statute.

If the Council receives a complaint regarding an action or decision related to its mandated responsibilities to assist the Governor and the legislature with strategic planning for and evaluation of the Texas Workforce Development System:

- The complaint is reviewed by the Council Director and the Council Chair.
- 2. The complaint is then forwarded to the appropriate administrative official(s) in the OOG for further review and guidance regarding complaint resolution.
- 3. The complainant is advised of the Council's receipt of the complaint. The complainant is also notified of the OOG procedures and any supplementary Council's procedures related to complaint investigation and resolution.
- 4. If specific persons are noted as subject to the complaint, each named individual will receive information on the OOG procedures and any supplementary Council's procedures related to complaint investigation and resolution.
- 5. Until final disposition of the complaint, both the complainant and each person that is a subject of the complaint will be notified at least quarterly of the status of the investigation unless the notice would jeopardize an undercover investigation.
- 6. A file is created for the complaint that includes
  - a. the name of the person who filed the complaint;
  - b. the date the complaint was received by the Council;
  - c. the subject matter of the complaint;
  - d. the name of each person contacted in relation to the complaint;
  - e. a summary of the results of the review or investigation of the complaint; and
  - f. an explanation of the reason the file was closed, if the Council closes the file without taking action other than to investigate the complaint.

Complete the following table detailing information on complaints received about your agency and its operations. Do not include complaints received about people or entities the agency regulates, if applicable.

Not Applicable. No complaints recorded during this timeframe.

D. Fill in the following tables detailing your agency's historically underutilized business (HUB) purchases. Sunset is required by law to review and report this information to the Legislature. If your agency has set specific goals and not statewide goals, please provide the goal percentages and describe the method used to determine those goals. (TAC Title 34, Part 1, Chapter 20, Rule 20.284)

Not Applicable. The Council does not have agency status. Under the Memorandum of Understanding (MOU) for agency budget support of Council operations, TWC performs the purchasing function for procurement of goods and services for the Council. All information relevant to HUB purchases for the Council would be on file with TWC and would be in accordance with TWC's HUB policies and procedures.

F. Does your agency have a HUB policy? How does your agency address performance shortfalls related to the policy? (Texas Government Code, Section 2161.003; TAC Title 34, Part 1, Rule 20.286c)

Not Applicable. The Council does not have agency status. Under the MOU for agency budget support of Council operations, TWC performs the purchasing function for procurement of goods

and services for the Council. All information relevant to HUB purchases for the Council would be on file with TWC and would be in accordance with TWC's HUB policies and procedures.

G. For agencies with contracts valued at \$100,000 or more: Does your agency follow a HUB subcontracting plan to solicit bids, proposals, offers, or other applicable expressions of interest for subcontracting opportunities available for contracts of \$100,000 or more? (Texas Government Code, Section 2161.252; TAC Title 34, Part 1, Rule 20.285)

Not Applicable.

H. For agencies with biennial appropriations exceeding \$10 million, answer the following HUB questions:

Not Applicable.

I. Fill in the tables below detailing your agency's Equal Employment Opportunity (EEO) statistics. Sunset is required by law to review and report this information to the Legislature. Please use only the categories provided below. For example, some agencies use the classification "paraprofessionals," which is not tracked by the state civilian workforce. Please reclassify all employees within the appropriate categories below.

# TEXAS WORKFORCE INVESTMENT COUNCIL Exhibit 21: Equal Employment Opportunity Statistics

#### 1. Officials / Administration

Year	Total Number of Positions	Percent African-American	Statewide Civilian Workforce Percent	Percent Hispanic	Statewide Civilian Workforce Percent	Percent Female	Statewide Civilian Workforce Percent
2022	2	0%	9.1%	50%	26.5%	50%	41.3%
2023	2	0%	9.1%	50%	26.5%	50%	41.3%
2024	2	0%	9.1%	50%	26.5%	50%	41.3%

Table 36 Exhibit 21 EEO Statistics for Officials/Administration

#### 2. Professional

Year	Total Number of Positions	Percent African-American	Statewide Civilian Workforce Percent	Percent Hispanic	Statewide Civilian Workforce Percent	Percent Female	Statewide Civilian Workforce Percent
2022	6	0%	11.7%	12%	23.3%	67%	53.8%
2023	5	12%	11.7%	12%	23.3%	75%	53.8%
2024	6	12%	11.7%	12%	23.3%	67%	53.8%

Table 37 Exhibit 21 EEO Statistics for Professionals

#### 3. Administrative Support

Year	Total Number of Positions	Percent African-American	Statewide Civilian Workforce Percent	Percent Hispanic	Statewide Civilian Workforce Percent	Percent Female	Statewide Civilian Workforce Percent
2022	1	0%	15.2%	100%	39.3%	100%	73.7%
2023	1	0%	15.2%	100%	39.3%	100%	73.7%
2024	1	0%	15.2%	100%	39.3%	100%	73.7%

Table 39 Exhibit 21 EEO Statistics for Administrative Support

# J. Does your agency have an equal employment opportunity policy? If yes, please provide an attachment. How does your agency address performance shortfalls related to the policy?

Because the Council is administratively attached to the OOG, the Council follows their EEO policy. A copy of this policy has been included as an attachment. Any procedures in addressing performance shortfalls would be decided at the OOG level (see Additional Attachments).

### **XII. Agency Comments**

None.

#### **ATTACHMENTS**

#### Attachments Relating to Key Functions, Powers, and Duties

- 1. Enabling statute and/or rules.
  - a. Attachment 1 Enabling Statute: Texas Government Code, Section 2308
- 2. Annual reports published by the agency from fiscal years 2020-24.
  - a. Attachment 2 Annual Reports 2020-2024
- 3. Biennial Operating Plans from fiscal years 2020-24.
  - a. N/A
- 4. Internal or external newsletters published by the agency in fiscal year 2024.
  - a. Attachment 4 Apprenticeship Brochures
- 5. List of studies the agency is required to do by legislation or riders.
  - a. Attachment 5 Required Agency Studies
- 6. List of legislative or interagency studies relating to the agency that are being performed during the current interim.
  - a. Attachment 6\_Interagency Studies: Apprenticeship Related Instruction Cost Study
- 7. List of studies from other states, the federal government, or national groups/associations that relate to or affect the agency or agencies with similar duties or functions. Provide links if available.
  - a. <u>Attachment 7 Other State Studies: Research to Support Workforce System Strategic Planning</u>
- 8. If applicable, a list describing the type of personal information of license holders the agency publishes on its website. Please also explain if and how license holders can opt out of this publication.
  - a. N/A

#### **Attachments Relating to Policymaking Structure**

9. Biographical information (e.g., education, employment, affiliations, and honors) or resumes of all policymaking body members. **See Attachment 9 Example.** 

- a. Attachment 9 Bios of Policymaking Body
- 10. Board training manuals and copies of any policies related to the board's duties and responsibilities.
  - a. Attachment 10 and 11 Board Training and Employee Manuals-Policies
- 11. Employee manuals and copies of any policies related to staff's duties and responsibilities.
  - a. Attachment 10 and 11\_Board Training and Employee Manuals-Policies
- 12. Copies of any other significant policies adopted by the board.
  - a. N/A

#### **Attachments Relating to Funding**

- 13. Agency's Legislative Appropriations Request for fiscal years 2026-27.
  - a. N/A. The Council is not subject to the appropriation process and is therefore not required to submit a Legislative Appropriations Request.
- 14. Annual financial reports from fiscal years 2020-24.
  - a. N/A
- 15. Operating budgets from fiscal years 2020-24.
  - a. Attachment 15 Operating Budgets FY 2020-2024
- 16. List of all contracts awarded in fiscal years 2020-24, with details provided in the attached template. Do not include purchase orders in this list.
  - a. Attachment 16 Contracts Awarded FY 2020-2024
- 17. List of all grants awarded in fiscal years 2020-24, with details provided in the attached template.
  - a. Attachment 17 Grants Awarded FY 2020-2024

#### **Attachments Relating to Organization**

- 18. If applicable, a map that illustrates the regional boundaries, headquarters location, and field or regional office locations.
  - a. N/A
- 19. Any flowcharts showing the operations of the agency such as complaint resolution processes, disciplinary or enforcement procedures, etc.

- a. Attachment 19 Agency Operations-Workflow
- 20. If applicable, a list and brief explanation of all active memoranda of understanding and information-sharing agreements the agency has entered into. Indicate whether these are required by statute, rule, or something else.
  - a. Attachment 20 List of MOUs Agreements

#### **Attachments Relating to Agency Performance Evaluation**

- 21. Information on the agency's "mission critical" data resources (per Section II, Exhibit 3), with details provided in the attached template.
  - a. N/A. The Council does not utilize data resources like the ones described in its day-to-day functions because the Council does not operate its own Information Technology or related services.
- 22. Quarterly performance reports completed by the agency in fiscal years 2020-24.
  - a. N/A
- 23. Performance reports presented to the agency's board of directors in fiscal years 2020-24, if different from the reports in Attachment 22.
  - a. N/A
- 24. Performance reports submitted to the Legislative Budget Board from fiscal years 2020-24.
  - a. N/A
- 25. Any recent studies on the agency or any of its functions conducted by outside management consultants or academic institutions.
  - a. N/A
- 26. Agency's current internal audit plan.
  - a. Attachment 26 Current Internal Audit Plan
- 27. Agency's current strategic plan.
  - a. N/A
- 28. List of internal audit reports from fiscal years 2020-24 completed by or in progress at the agency.
  - a. Attachment 28\_Internal Audit Reports FY 2020-2024

- 29. List of State Auditor reports from fiscal years 2020-24 that relate to the agency or any of its functions.
  - a. N/A
- 30. Any customer service surveys conducted by or for your agency in fiscal years 2020-24.
  - a. N/A
- 31. Any reports created under Texas Government Code, Section 2110.007 regarding the usefulness and costs of the agency's advisory committees.
  - a. N/A. Given the Council's non-agency status, TGC §§2110.006 and 2110.007 do not apply. The Council does not report to the Legislative Budget Board on the effectiveness of its subcommittees, nor does it make Legislative Appropriations Requests.
- 32. A description of the agency's review of existing rules as required by Texas Government Code, Section 2001.039, and for the last eight years, a brief description of the rules reviewed by date and the result the review.
  - a. Attachment 32 Rule Review and Supporting Documents