



ANNUAL REPORT 2023





Our Mission:

*To promote and support a workforce system
that creates value and offers employers, families, individuals, and
communities the opportunity to achieve and sustain economic prosperity.*

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This report was compiled for submission in compliance with Texas Labor Code Section 301.065.

For additional information on TWC's activities in 2023, visit our Supplemental Report <https://bit.ly/2023-Supplemental>

TWC Commissioners' Message

The Texas Workforce Commission ensures the state's workforce system provides Texas employers, workers, and their families with opportunities to maximize their economic potential. In fiscal year 2023, Texas added 402,000 jobs to the economy, which marks an annual 3% growth rate. The Lone Star State is now home to nearly 650,000 employers, 3 million small businesses, and a civilian labor force of more than 15.1 million.

To sustain the state's economic growth, TWC is fostering a highly-skilled and productive workforce to support employers and allow industry to prosper in Texas. In March 2023, the Commission invested \$5 million in Workforce and Innovation Opportunity Act Funds to pilot Upskill Texas, a new training initiative designed to rapidly upskill incumbent workers across the state. Moving forward, Texas is investing more in critical programs to help ensure employers in high-demand industries have the skilled workers they need, such as the almost \$19 million in increased appropriations for the Skills Development Fund in the FY 2024-2025 biennium. In FY 2024, TWC will award \$15 million in Jobs and Education for Texans grants to promote career and technical education programs across Texas based on increased funding approved by the 88th Texas Legislature. TWC is also implementing the new Lone Star Workforce of the Future Fund to train qualified workers for entry- to mid-level jobs in high-demand occupations.

Offering the right resources to fill critical in-demand jobs—both now and in the future—remains a top priority for the Commission. Through career education, skills training, and labor market information, TWC enhances the employability, earnings, and the standard of living for Texas workers and continues to place individuals on rewarding career pathways while closing the middle skills gap. In support of these goals, Texas is investing nearly \$26 million in new funding for apprenticeship and pre-apprenticeship programs in FY 2024.



TWC also spotlights career opportunities for every segment of the workforce and encourages employers to hire more veterans, foster youth, people with disabilities, second chance individuals, and people transitioning into the workforce. In addition, TWC works with employers to increase and promote internships across Texas through support for the Texas Internship Challenge.

TWC remains committed to providing quality customer service and support to all stakeholders in the workforce system. In partnership with the Texas Education Agency and the Texas Higher Education Coordinating Board, the Tri-Agency Workforce Initiative helps all Texans gain access to information, education, and training needed to identify and pursue pathways to employment. Enhanced use of data enables our 28 Local Workforce Development Boards to make better informed economic development decisions and connect local employers with area job seekers more rapidly.

TWC will continue to work to meet the needs of employers, workers, and families. Through continued collaboration with the Governor, Legislature, and our many partners, TWC will ensure the Lone Star State continues to have the strongest workforce in the nation.

Sincerely,



A handwritten signature in black ink that reads "Bryan Daniel".

Chairman Bryan Daniel
Commissioner
Representing the Public



A handwritten signature in black ink that reads "Alberto Treviño III".

Alberto Treviño III
Commissioner
Representing Labor



A handwritten signature in black ink that reads "Joe Esparza".

Joe Esparza
Commissioner
Representing Employers

State of Texas Unemployment Compensation Trust Fund

For Years Ending Aug. 31, 2019 through Aug. 31, 2023¹

	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Total Net Position on September 1st	\$1,864.4	\$2,322.0	(\$3,729.1)	(\$5,548.8)	\$2,209.1
Restatement of Net Position	-	-	-	(\$165.3)	-
Total Net Position on September 1st	\$1,864.4	\$2,322.0	(\$3,729.1)	(\$5,714.1)	\$2,209.1
Revenues:					
Unemployment Taxes	\$2,293.0	\$1,989.5	\$2,034.7	\$2,506.2	\$1,999.3
Federal Revenues ²	\$56.6	\$19,754.9	\$21,211.6	\$207.2	\$120.1
SB 8 (appropriated ARPA funds) ⁴	-	-	-	\$6,979.2	-
Contributions from Directly Reimbursing Employers	\$55.9	\$128.1	\$436.6	\$49.9	\$48.7
Reimbursement for Out-of-State Claimants	\$80.4	\$124.0	\$207.5	\$55.8	\$68.1
Interest Income	\$44.3	\$34.0	\$0.2	\$14.3	\$20.6
Total Revenues	\$2,530.2	\$22,030.5	\$23,890.6	\$9,812.6	\$2,256.8
Expenditures:					
State Unemployment Benefits	(\$2,016.0)	(\$8,326.7)	(\$4,873.4)	(\$1,759.9)	(\$2,263.7)
Federal Unemployment Benefits ²	-	(\$19,691.4)	(\$21,147)	(\$181.5)	-
Benefits Paid to Former Federal Employees and Individuals Affected by Trade Agreements/Natural Disasters	(\$56.6)	(\$63.5)	(\$64.6)	(\$25.8)	(\$93.8)
Interest Expenses ³	-	-	-	(\$28.7)	(\$26.3)
Total Expenditures	(\$2,072.6)	(\$28,081.6)	(\$26,085.0)	(\$1,993.9)	(\$2,383.8)
Transfers (ETIA):					
Employment and Training Investment Assessment	-	-	\$374.7	\$104.6	-
Total Transfers	-	-	\$374.7	\$104.6	-
Total Net Position at August 31st:	\$2,322.0	(\$3,729.1)	(\$5,548.8)	\$2,209.2	\$2,082.1
SB8 Receivable (Amount Received in FY2022) ⁴	-	-	\$6,979.2	-	-
Total Net Position at August 31st (including SB8 Receivable)	\$2,322.0	(\$3,729.1)	\$1,430.4	\$2,209.2	\$2,082.1

- ¹ The State of Texas Unemployment Compensation Fund includes the following funds and accounts: Corona Virus Relief Fund – Proprietary (Fund 1325); TWC Obligation Trust Fund (Fund 0844); Unemployment Compensation Clearance Account (Fund 0936); Unemployment Compensation Benefit Account (Fund 0937); Unemployment Trust Fund Account (Fund 0938).
- ² The majority of federal benefits shown above were paid as a result of the passage of the CARES Act. The Act provided additional compensation from April through July of \$600 a week. Additionally, the CARES Act provided federally funded unemployment benefits for self-employed individuals. Extended benefits were also provided for individuals whose regular state benefits had expired.
- ³ Interest began accruing on Sept. 4, 2021, on the Title XII federal advances the Commission had received from the U.S. Treasury to provide working capital for the unemployment trust fund after the fund became solvent. All Title XII advances were paid off on Nov. 24, 2021, from funds provided by SB 8.
- ⁴ TWC received \$6.9 billion of ARPA funds appropriated from Senate Bill 8 (SB8) during the 87th Legislative Session, 3rd Special Session, to repay its Title XII federal advances under the Social Security Act and bring the trust fund balance to the statutory floor. Note, that although the legislation did not pass nor had the Governor signed the bill until Nov. 2021, these funds were included as a “receivable” in FY 2021 for this report. The actual amount received occurred in FY 2022.

Civil Rights Division Data

CRD I: Housing and Employment Complaints by Type of Closure

Table 1.1 Closed Housing Complaints

Successful conciliations and settlements represent over 25 percent of the housing complaints closed by the Civil Rights Division.

Closure Type	Civil Rights Division		Statewide	
	FY 2019-2022 (Avg)	FY 2023	FY 2019-2022 (Avg)	FY 2023
No cause determination	183	209	282	292
Conciliation/settlement successful	80	126	154	156
Complaint withdrawn by complainant after resolution	10	54	35	78
Administrative Closure *	31	20	44	31
Post Cause Settlement	2	0	5	4
Total Housing Complaints Closed	306	409	520	561
Average Processing Time (Days)	144	106		

Table 1.2 Closed Employment Complaints

Negotiated settlement and withdrawal with benefits account for about 25 percent of the employment complaints closed by the Civil Rights Division.

Closure Type	Civil Rights Division		Statewide	
	FY 2019-2022 (Avg)	FY 2023	FY 2019-2022 (Avg)	FY 2023
No Cause Finding	360	313	2,815	5,429
Administrative Closure *	437	440	939	2,021
Withdrawal with benefits	153	267	385	533
Withdrawal without benefits	0	164	0	250
Negotiated Settlement	86	29	177	289
Unsuccessful Conciliation	0	0	34	0
Successful Conciliation	0	0	40	0
Total Employment Complaints Closed	1,036	1,213	4,390	8,522
Average Processing Time (Days)	353	327		

Table 1.3 Closed State Agency Employment Complaints (Other Than Without Merit)

Closure Type	Civil Rights Division	
	FY 2019-2022 (Avg)	FY 2023
Administrative Closure *	0	7
No Cause Finding	0	3
Withdrawal with benefits	7	2
Withdrawal without benefits	0	2
Other	0	1
Conciliation Failure	8	0
Settlement with Benefits	1	0
Total State Agency Employment Complaints Closed	16	15

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

Note: There were no instances of a state agency receiving three or more complaints of employment discrimination during FY 2023. Therefore, compliance training pursuant to Texas Labor Code Section 21.556 was not required.

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

Table 2.1 Housing Complaints Filed by Basis

Top four basis categories (i.e., disability, race, retaliation, and national origin) account for over 85 percent of the housing complaints filed during FY 2023.

Basis	Civil Rights Division		Statewide	
	FY 2019-2022 (Avg)	FY 2023	FY 2019-2022 (Avg)	FY 2023
Disability	50%	49%	47%	44%
Race	24%	24%	25%	26%
Retaliation	6%	8%	6%	7%
National Origin	6%	7%	7%	7%
Sex	6%	5%	7%	8%
All Other Basis	3%	4%	3%	4%
Familial Status	6%	3%	6%	4%

Table 2.2 Employment Complaints Filed by Basis

Top four basis categories (i.e., retaliation, disability, race and sex) account for about 70 percent of the employment complaints filed during FY 2023.

Basis	Civil Rights Division		Statewide	
	FY 2019-2022 (Avg)	FY 2023	FY 2019-2022 (Avg)	FY 2023
Retaliation	22%	27%	27%	29%
Disability	14%	18%	16%	21%
Race	13%	12%	15%	14%
Sex	14%	14%	16%	13%
Age	11%	10%	11%	10%
National Origin	12%	10%	8%	5%
Color	11%	9%	6%	4%
All Other Basis	2%	1%	2%	4%

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

Top four basis categories (i.e., retaliation, sex, race and color) account for 70 percent of the state agency employment complaints filed during FY 2023.

Basis	Civil Rights Division	
	FY 2019-2022 (Avg)	FY 2023
Retaliation	21%	25%
Sex	14%	17%
Race	12%	14%
Color	7%	14%
National Origin	12%	11%
Disability	14%	11%
All Other Basis	10%	6%
Age	10%	3%

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

Table 3.1 Housing Complaints Filed by Issue

The top four issue categories represent almost 90 percent of housing complaints filed during FY 2023.

Issue	Civil Rights Division		Statewide	
	FY 2019-2022 (Avg)	FY 2023	FY 2019-2022 (Avg)	FY 2023
Discriminatory terms, conditions, privileges or services and facilities	39%	41%	40%	41%
Failure to make reasonable accommodation	24%	26%	22%	24%
Discriminatory refusal to rent	16%	13%	17%	13%
Discriminatory acts under Section 818 (coercion, etc.)	10%	9%	10%	9%
All Other Issue	6%	6%	6%	8%
Failure to permit reasonable modification	2%	2%	2%	2%
Discriminatory advertising, statements and notices	4%	2%	3%	2%

Table 3.2 Employment Complaints Filed by Issue

The top four issue categories represent about 75 percent of employment complaints filed during FY 2023.

Issue	Civil Rights Division		Statewide	
	FY 2019-2022 (Avg)	FY 2023	FY 2019-2022 (Avg)	FY 2023
Discharge or Constructive Discharge	30%	28%	36%	33%
Harassment	19%	17%	15%	15%
Terms/Conditions	16%	20%	15%	12%
Wages/Compensation, Promotion, Demotion, Hiring, Suspension	13%	10%	12%	11%
Reasonable Accommodation	8%	8%	8%	9%
All Other Issue	4%	5%	3%	6%
Discipline	6%	5%	7%	5%
Sex	5%	6%	5%	5%
Retaliation	0%	0%	0%	3%

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

The top four issue categories represent 75 percent of state agency employment complaints filed during FY 2023.

Issue	Civil Rights Division	
	FY 2019-2022 (Avg)	FY 2023
Terms/Conditions	24%	26%
Discharge or Constructive Discharge	21%	21%
Wages/Compensation, Promotion, Demotion, Hiring, Suspension	16%	14%
Harassment	16%	14%
Reasonable Accommodation	13%	12%
Discipline	8%	7%
Sex	3%	5%
All Other Issue	3%	2%

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

Opportunities for state agencies to improve their personnel policies and procedures were noted in the categories listed below.

Category	Civil Rights Division	
	FY 2019-2022 (Avg)	FY 2023
EEO Training	30%	32%
Reasonable Accommodation	22%	27%
Hiring and Recruitment Plan	33%	25%
Performance Evaluations	16%	17%
Number of Opportunities for Improvement Identified	64	60
Agency Reviews Completed	29	25





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