

# Annual Report Fiscal Year 2025 September 1, 2024–August 31, 2025

#### The Council's Role in the Texas Workforce System

The Texas Workforce Investment Council (Council) was created in 1993 by the Governor and the Texas Legislature to promote the development of a well-educated and highly skilled workforce in the state. The Council assists the Governor and legislature with strategic planning, research, and evaluation to support continuous improvement of the Texas workforce system. In addition to its responsibilities in state law, the Council functions as the state workforce development board under the federal Workforce Innovation and Opportunity Act (WIOA). The Council does not operate programs but works to foster collaboration and a systems perspective among its partners and their programs. Its impact is demonstrated through initiatives that improve outcomes for workforce customers—employers and current and future workers of Texas—all of whom contribute to Texas' economic success.

The Texas workforce system delivers programs, services, and initiatives administered by eight agencies, local workforce development boards, community and technical colleges, local adult education providers, and independent school districts. The Council's eight partner agencies are the Economic Development and Tourism Office (EDT) within the Office of the Governor, the Texas Department of Criminal Justice (TDCJ) and its Windham School District (Windham), the Texas Education Agency (TEA), the Texas Health and Human Services Commission (HHSC), the Texas Higher Education Coordinating Board (THECB), the Texas Juvenile Justice Department (TJJD), the Texas Veterans Commission (TVC), and the Texas Workforce Commission (TWC).

The Council is composed of 19 members. The Governor appoints 14 members who represent business, organized labor, education, and community-based organizations. The remaining five members serve as ex officio representatives of the Council's member state agencies.

The Council provides this annual report to highlight its work and the accomplishments of system partners during the past fiscal year (FY). Featured in this report is the introduction of the *Statewide Economic Development Strategic Plan* for Texas, which supports continuous efforts to align the Council's member agencies and system partners to achieve the Council's vision for the workforce system.

The strategic plan for the Texas workforce system and other Council products referenced in this report are posted on the Council's website at <a href="https://gov.texas.gov/twic">https://gov.texas.gov/twic</a>.

# Planning System Progress

# Strategic Opportunities (June 2025)

The Council identified three strategic opportunities for the workforce system in its most recent strategic plan, *Accelerating Alignment: Texas Workforce System Strategic Plan for Fiscal Years 2024–2031*. The plan articulates the advantages of system partner collaboration in engaging employers, improving outcomes for all participating Texans, and using data from workforce programs and services to inform investment decisions. To capitalize on these opportunities, the Council conducts research to focus and support system partner implementation. Examples include demographic reports on key populations and research on alternative approaches to work-based learning in the state.

#### Texas Talent Connection (June 2025)

The Texas Talent Connection grant program supports innovation in the development and delivery of workforce training and job placement services designed to improve employment outcomes for populations that experience barriers to employment. The Wagner-Peyser 7(b) program allocates federal discretionary funds to the Office of the Governor. In Texas, the funds are distributed through a competitive solicitation process to workforce system partners, and the program encourages evidence-based practices to support effective workforce interventions. The number of applicants more than doubled in FY 2025 and approximately \$7.3 million in grants were awarded. Awards range from \$255,000 to \$350,000 and provide training for a range of industries that includes construction, cybersecurity, healthcare, information technology, and data analytics.

# Texas Health and Human Services Consultation of the Supplemental Nutrition Assistance Program Employment and Training State Plan for Fiscal Year 2026 (June 2025)

States are federally required to design their Supplemental Nutrition Assistance Program (SNAP) Employment and Training (E&T) State Plan in consultation with the state workforce development board, i.e., the Council, and administer the program through their statewide workforce system. In Texas, HHSC develops the SNAP E&T State Plan and TWC implements the SNAP E&T program. This year, the agencies initiated a demonstration of the Third-Party Partnership program, which utilizes third-party reimbursements to increase program capacity. The FY 2026 State Plan advances the implementation of the third-party program through partnerships with local organizations to grow the number of SNAP E&T providers.

#### Education and Training for Learners in Carceral Institutions (June 2025)

The *Education and Training for Learners in Carceral Institutions* report provides overviews of the career and technical education and training programs serving institutionalized populations. In Texas, these programs are primarily provided by TDCJ through Windham and TJJD. The report details the work of these agencies and their partners that contributes to improving post-release outcomes for students in these institutionalized populations upon re-entry into the workforce. The 89<sup>th</sup> Texas Legislature changed legislation governing these agencies, and this report outlines the program-related changes for TDCJ and Windham that support workforce system outcomes.

# **Evaluating System Progress**



# Evaluation 2024: Accomplishments and Outcomes of the Texas Workforce System (December 2024)

Texas comprehensively evaluates its workforce system for performance across programs and system partner alignment with the strategic plan each year. The Council's first annual evaluation report for the current eight-year plan, *Accelerating Alignment: Texas Workforce System Strategic Plan for Fiscal Years* 2024–2031, presents a system perspective of progress

and achievement under the new plan. According to Texas Government Code (TGC), Chapter 2308, the Council must report annually to the Governor and Legislature on the system's advancement toward meeting the state and local workforce goals and objectives outlined in the system strategic plan.

Evaluation 2024 assesses system performance using the system measures established in the strategic plan across FY 2024. Two types of system measures are specified by TGC and considered when evaluating the Texas workforce system: formal and less formal measures. Formal measures are consistent across programs in the workforce system and are tied to system outcomes. Six partner agencies submit data on 23 programs for four formal measures: educational achievement, entered employment, employment retention, and customers served. Less formal measures are specific to the system strategies in the current strategic plan. Less formal measures provide the Council data on agency actions to help assess the effectiveness of these actions under each system goal area.

In addition to system measures, *Evaluation 2024* also includes data and information from each partner agencies' strategic plans, which must be aligned with the goals and objectives of the system plan and reviewed by the Council. Agency plans provide insight into agency implementation of system strategies. Ultimately, the Texas workforce system served more than 4.3 million individuals in FY 2024. Additionally, 694,106 individuals completed a degree, certificate, or other educational achievement; over 520,000 individuals found or entered employment and/or were enrolled in educational or training programs; and nearly 300,000 retained employment or enrollment in educational or training programs.

# Partner Agency Strategic Plan Alignment (September 2024)

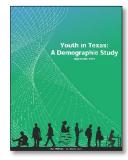
Each state agency in Texas is required to prepare and submit a strategic plan to the Governor's Office of Budget and Policy and the Legislative Budget Board on a biennial basis. State statute mandates that workforce partner agencies align their strategic plans with the workforce system's strategic plan. In September 2024, the agency plans were evaluated to ensure alignment with the strategies, objectives, goals, and strategic opportunities outlined in the workforce system strategic plan, which includes action plan responsibilities and performance measures.

# **Local Workforce Board Plan Alignment (June 2025)**

The state's 28 local workforce development boards play a crucial role in delivering federal workforce programs and services to achieve the strategic vision for the Texas workforce system. Each board is required to submit a comprehensive four-year local workforce development plan to the Governor. These plans outline strategies and regional activities that align with the WIOA state plan and the workforce system strategic plan. All 28 local board plans demonstrated alignment, showcasing increased collaboration among system partners, alignment of programs and services, integration of core programs, and improved employment outcomes. The Council recommended these plans for program years 2025–2028 to the Governor for approval. The Governor approved the plans on June 30, 2025.

### **Conducting Research**

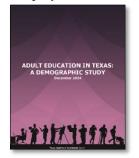
The Council supports workforce system stakeholders in planning and implementing programs and services through a suite of research products available on the Council's website.



## Youth in Texas: A Demographic Study (September 2024)

This report details the demographic characteristics of Texans aged 16 to 24, a population that remains a valuable resource for the state's employers and its economy. This report considers the characteristics of labor force participants in this essential population with approximately 57 percent of Texas youth engaged in the labor market in 2022. It also highlights the importance of continuous education, skill development, and experiential employment opportunities in preparing

youth for employment. Additionally, the report considers areas for potential workforce intervention among youth who are neither enrolled in school nor employed.



# Adult Education in Texas: A Demographic Study (December 2024)

This report provides a demographic overview of adult education in the state. The report identifies individuals who are most in need of services, particularly those experiencing multiple barriers to educational advancement, and highlights highly skilled individuals who may also be eligible for services. The report provides detailed estimates

of the future demand for adult education services based on population growth projections and assesses the geographic dispersion of this need by local workforce development areas in Texas.



# Apprenticeship in Texas: A Work-Based Learning Profile (December 2024)

This report describes the current state of apprenticeship training in Texas. The report provides detailed information on the demographics of apprentices in the state, the composition of industries and occupations, recent growth trends, diversification, and shifts within the apprenticeship system. Texas has the second highest number of apprentices

in the country, and this growth in apprenticeship yields benefits to employers and the workforce. The report features the benefits and top occupations and industries that operate active apprenticeships and includes state and federal funding models and initiatives developed in response to the growing demand.



# Institutionalized Demographic Study: A Texas Profile (June 2025)

This report details the demographic characteristics of the institutionalized population in Texas. The report draws a distinction between incarcerated and institutionalized populations and features data on the incarcerated population to highlight key demographic and educational information. The report provides an understanding of the institutionalized populations in Texas by presenting important data points and

comparing the state's institutionalized demographics with those of the nation.

# Texas Statewide Economic Development Strategic Plan: 2025–2029



The Bigger. Better. Texas. Blueprint to build a stronger Texas of tomorrow, Statewide Economic Development Strategic Plan: 2025–2029 highlights the state's economic accomplishments and identifies economic development strategies and actions intended to secure Texas' economic future. Texas' young, skilled, diverse, and growing workforce presents a strategic advantage for industry growth, and workforce development is explicitly featured in the plan. As the state workforce development board, the Council contributed to its development through representation on the

advisory and steering committees and in consultation with members. The framework of the plan considers the Governor's vision, Texas' diverse regions, and target industry sectors that are all supported by the plan's four economic development pillars. The economic development plan directly correlates to the workforce system strategic plan, further integrating and aligning the essential attributes that will contribute to the state's success.

# **Texas Today—Four Economic Development Pillars**

The *Texas Today* section explores the current state of Texas' economy through the lenses of the state's four economic development pillars: business and industry, innovation and entrepreneurship, workforce, and infrastructure. The accomplishments of Texas' economy and comparisons between the nation and similar states set the tone for a path to prosperity through engagement, collaboration, and focused implementation. This section presents opportunities for economic development professionals to advocate for resources that prepare the workforce to meet industry needs in support of economic growth, identifying the workforce as the power behind that growth.

# **Better Together—Economic Development and Workforce Ecosystems**

The *Better Together* section maps the local, regional, and statewide entities that comprise the economic development ecosystem, stressing the cohesive nature of its parts. Categorizing the ecosystem within the four pillars, the plan highlights workforce system partners that support and prepare a highly educated and skilled workforce to increase productivity and fuel job creation. This section ensures that industry and economic development partners understand the breadth of the workforce system and sets the stage for the workforce strategies featured in the plan.

#### **Blueprint for a Stronger Texas of Tomorrow**

The *Blueprint for a Stronger Texas of Tomorrow* section establishes a vision for Texas' economic future and illustrates the broad diversification of the state's target industry sectors and clusters. These sectors are expected to be the engines of job and economic growth across the state and its regions. This section also introduces economic development partners to workforce objectives and initiatives that explicitly align development efforts with the workforce system plan:

- > Build the target sector workforce pipeline.
- > Uplift all Texans through education and training opportunities.
- > Enhance the flexibility and responsiveness of the workforce development system.

Several key initiatives that support Council objectives include reskilling and upskilling programs, short-term credentials, work-based learning, apprenticeship programs, and regional partnerships and coordination to strategically engage industry and employers on workforce needs and priorities.

The plan communicates the collective desire to build upon the state's successes. Its spirit is best captured in its closing assertion: "By capitalizing on emerging opportunities and collaborating on innovative solutions, we can turn bold ideas into reality and build an even bigger, better Texas for decades to come."

# Texas Workforce System Partners and Programs

Texas workforce system partners collaborate to better align, leverage, and integrate system services to develop a highly skilled workforce and ensure a higher quality of life for all Texans through educational, employment, and economic opportunities that contribute to success. Eight state agencies, local workforce development boards, community and technical colleges, local adult education providers, and independent school districts actively contribute to the delivery of the following workforce development programs in the Texas workforce system:

#### **Texas Workforce System Partners and Programs**

# Texas Department of Criminal Justice and its Windham School District

- Postsecondary Academic and Technical Education
- Windham School District
  Secondary Academic Education
  Secondary Technical Education

# **Economic Development and Tourism, Office** of the Governor

### **Texas Education Agency**

Secondary Schools
 Academic Education
 Career and Technical Education

# Texas Health and Human Services Commission

 Supplemental Nutrition Assistance Program Employment and Training

# **Texas Higher Education Coordinating Board**

Community and Technical Colleges
 Academic Education
 Technical Education

### Texas Juvenile Justice Department

- Secondary Academic Education
- Secondary Technical Education

#### **Texas Veterans Commission**

• Veterans Employment and Training

# **Texas Workforce Commission**

- Adult Education and Literacy
- Apprenticeship Training, Chapter 133
- Choices Program for TANF Adults
- Employment Services
- Jobs and Education for Texans Fund
- Lone Star Workforce of the Future Fund
- Rehabilitation Services

Youth

- Self-Sufficiency Fund
- Senior Community Service Employment Program
- Skills Development Fund
- Trade Adjustment Assistance/NAFTA
- Workforce Innovation and Opportunity Act Adult
   Dislocated Workers

## Texas Workforce System Program Directory (June 2024)



The Program Directory provides basic information about the programs established within the Texas workforce system. As a companion document to the workforce system strategic plan and the annual evaluation report, it provides a concise reference for policy makers and stakeholders on workforce development programs and related academic programs administered by the state's workforce system partner agencies. The directory is distributed to system partners and stakeholders and is posted on the Council's website.

For more information on the Council and its authority, please visit <a href="https://gov.texas.gov/twic">https://gov.texas.gov/twic</a>.