

Texas Workforce Commission

Program Year 2020

Workforce Innovation and Opportunity Act

Annual Report

Titles I and III

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Introduction

Comparability Assurance

The Texas Workforce Commission's (TWC) annual report and report elements are consistent with the federal reporting guidance that allows state-to-state comparison.

Vision

TWC and its Workforce Solutions partners will continue to maximize the power of innovation and partnerships to boost superior business outcomes and realize a competitive advantage for all Texans in the global economy.

Focus on Integration

Historically, Texas has been a leader in workforce integration. The Texas workforce development system includes TWC; the Texas Workforce Investment Council; multiple education, nonprofit, and economic development partners; 28 Local Workforce Development Boards (Boards); and more than 180 comprehensive and affiliate Workforce Solutions Offices that provide locally customized services to address the needs of each region of the state. This comprehensive system continues to refine and improve Texas' integrated structure to operate in the most efficient and effective manner possible, while ensuring that the workforce system remains both flexible and adaptable. Improved access and efficiency, along with value-added services, are among the many benefits customers receive from an integrated system. One such improvement to the Texas workforce system was initiated in Program Year 2016 (PY'16), when TWC began integrating and supporting the delivery of vocational rehabilitation (VR) services to help individuals with disabilities gain skills to prepare them for sustainable employment. As of June 30, 2021, 17 Boards had completed integration of VR services within their local workforce development areas (workforce areas), and VR services had collocated in 90 Workforce Solutions Offices in all 28 of the state's workforce areas. TWC expects to complete the remaining 30 office integrations between Fiscal Years 2022 and 2025.

COVID-19 Response

Following the presidential declaration of COVID-19 as a national emergency on March 13, 2020, Governor Greg Abbott declared a state of disaster for Texas. Over the course of the first month, many "nonessential" businesses and services were closed, causing employers to lay off workers and/or reduce hours. During this time, the number of weekly unemployment insurance (UI) claims filed rose from an average of 13,000 to 158,000. Within a month, more than a million Texans had filed for unemployment, exceeding the 750,000 total claims filed in 2019. The chart below allows for a fuller understanding of how UI claims changed over the past three program years.

UI Claimant Statistics for PY'18 to PY'20

PY	Individuals Filing for UI	Individuals with an Initial UI Payment	Individuals Receiving UI Benefits
PY'18	585,715	324,317	433,910
PY'19	2,993,885	2,219,689	2,631,575
PY'20	2,305,011	2,477,989	3,272,188

Table 1: Relevant statistics regarding UI claimants for Program Years 2018–2020

To ensure that TWC and its affiliates were working to adjust to the changing demands of the economy, TWC’s three-member Commission (Commission) approved new grants totaling more than \$12 million to 20 Boards. These grants were designed to provide rapid response services to ensure that employers are able to support impacted workplaces; layoff aversion strategies to keep workers on the job; and COVID-19 activities that facilitate remote access to services, especially skills training. Through these grants, Boards purchased virtual job software for online job fairs, virtual technology hubs to direct participants to workforce services, and artificial intelligence tools, such as chatbots, to answer customer questions in real time. This has enabled Boards to provide a wider range of services online while providing more innovative in-person services. From October 2020 to June 2021, Workforce Solutions Office staff has been able to place more than 1,200 COVID WIOA grantees in training. To date, 445 grantees have successfully completed training.

Workforce Innovation and Opportunity Act Waivers

The Texas workforce system and its customers have benefited from the US Department of Labor Employment and Training Administration's (DOLETA) authority to waive certain statutory and regulatory provisions. These waivers have provided TWC and Boards with the flexibility to be more innovative and efficient in delivering workforce services.

On June 30, 2020, DOLETA approved the following three Workforce Innovation and Opportunity Act (WIOA) waivers for Texas for PY'20 and PY'21 (July 1, 2020, through June 30, 2022):

Use of Individual Training Accounts for In-School Youth

This waiver waives the requirement under the WIOA rule at 20 CFR §681.550, which limits the use of individual training accounts (ITAs) for youth participants to out-of-school youth (OSY) ages 16 to 24. This allows TWC to extend the use of ITAs to in-school youth (ISY), thus permitting Boards to serve ISY in the workforce area while maintaining priority of service for OSY. Use of this flexibility has been limited but nonetheless critically valuable. Boards utilizing this waiver have used ITAs to fund training for ISY enrolled in programs such as welding, nursing, HVAC, and business management. Boards view this waiver as an excellent opportunity to promote apprenticeship programs and utilization of pre-apprenticeship standards, with a focus on nontraditional industries and occupations. The state submitted a renewal request for this waiver with its WIOA Combined State Plan for PY'20-'23, and the waiver request was conditionally approved through June 30, 2022.

Local Performance Accountability Flexibility

This limited waiver from WIOA §116(c) pertaining to local performance accountability measures for Subtitle B provides TWC with greater flexibility when contracting performance measures with Boards. Through the implementation of this waiver, TWC will increase the integration of services to customers, evaluate Boards more effectively—promoting accountability—and provide Boards with flexibility in implementing Workforce Solutions Offices services. This waiver provides TWC with continued administrative relief that will remove barriers to coenrollment and promote a more integrated case management system across multiple programs. The state submitted a renewal request for this waiver with its WIOA Combined State Plan for PY'20-'23, and the waiver request was approved through June 30, 2022.

Reallocation of Local Funds

This waiver waives the provisions of WIOA §128(c)(3) and §133(c) and 20 CFR §683.140 regarding reallocation of WIOA funds among local areas, thus granting TWC flexibility in redistributing funds to the workforce areas with the greatest need. The state submitted a renewal request for this waiver with its WIOA Combined State Plan for PY'20-'23, and the waiver request was approved through June 30, 2022.

Measuring Success

Evaluations

The three most important resources available to the Texas workforce system are its various customer groups, its employees (including TWC, Boards, and other workforce partners), and its data. TWC's Information Innovation & Insight (I|3) division, formerly known as the Division of Operational Insight, leverages relevant data to advance the overall efficiency and effectiveness of the system. I|3 has primary responsibility for conducting and coordinating evaluations of the Texas workforce system.

Although TWC uses a variety of statistical techniques to conduct evaluations, it has historically relied on quasi-experimental evaluation techniques. While less academic in approach than random controlled trials, quasi-experimental evaluations balance evaluation rigor with the ability to implement process changes and new initiatives quickly. However, TWC is now beginning to conduct random controlled trial-based evaluations as well. For example, we are exploring areas where machine learning and artificial intelligence can help identify strengths and weaknesses in our programs and ways in which we can maximize the former and minimize the latter.

Additionally, TWC uses a blend of Six Sigma, Lean, and Theory of Constraints called "Rapid Process Improvement" (RPI) to evaluate system processes, identify opportunities for improvement, and test the results of implemented changes. RPI is part of the core of TWC's approach to continuous improvement.

TWC also works with Boards, partners, and academic researchers on system evaluations and has participated in numerous federal studies such as the Workforce Investment Act Gold Standard Study. TWC is constantly looking for opportunities to engage with the Secretaries of Labor and Education on studies that complement and enhance the research priorities of TWC, Boards, and partners. Additionally, TWC believes that the webinars and regional calls held by DOL and the US Department of Education (ED) provide a valuable opportunity for coordinating such work and sharing results between the states and the departments. TWC anticipates being active in the Clearinghouse for Labor Evaluation and Research (CLEAR) community and sharing results and best practices with other community members.

Recently, TWC participated in a new national reporting system for the adult education evaluation learning community. This 15-month project brought together research and evaluation experts from many states to develop and conduct high-value evaluation projects for adult education and literacy (AEL). In TWC's case, we evaluated the impact that different forms of intake and onboarding mechanisms used by AEL grantees had on measures such as length of participation. The final report was issued during PY'20 and was used to develop curriculum for a session at TWC's AEL summer institute for AEL providers held in August 2021.

TWC has also been performing evaluation work related to the VR program. One project involves a quasi-experimental evaluation of the impact of TWC's Project SEARCH for individuals with developmental disabilities. Project SEARCH allows participants to try and compare three 10 to 12-week paid internships in competitive integrated employment settings, giving them the opportunity to focus on gaining proficiency in their preferred occupation with the goal of obtaining and retaining permanent employment. Common local employers involved in Project SEARCH include hospitals, law firms, and supply chain industries, which offer diverse

internships in areas such as office administration, data entry, assembly/packaging, and housekeeping and food preparation.

Another project currently in the early stages of development involves a machine-learning model developed to identify VR participants who, six months into their cases, appear to be headed for an unsuccessful closure. The key to this project is not in identifying the cases but in developing an intervention that can transform an unsuccessful trajectory into a successful one. The VR division is developing the intervention, which will be tested through a randomized controlled trial (RCT) to identify cases on the path to failure and randomly assign them to receive the new intervention. This RCT will enable staff to determine whether the intervention has a causal impact on program outcomes. Although this work is being conducted within the VR program, it should be applicable to many other programs, including WIOA core partner programs and other partner programs.

I|3 is working with TWC's Workforce Development Division on several evaluations for DOL-funded programs. The first is an RCT for a new service that would be funded by WIOA dislocated worker (DW) statewide funding and involves special job-coaching and related resources. The evaluation will involve the random selection of Reemployment Services and Eligibility Assessment (RESEA) claimants for access to such services and will serve as both a WIOA DW and RESEA evaluation, as it is expected to meet CLEAR's "high causality" standard. Another study encompasses a broader quasi-experimental design that addresses the impact of the RESEA program on benefits usage and return to work. It is anticipated that this second study will meet CLEAR's "moderate causality" standard.

Finally, I|3 uses its analytical resources to prevent waste, fraud, and abuse within the UI system by developing predictive analytics models used by UI's benefit payment control and investigative staff. TWC is active within the national UI integrity sphere and supports other states' efforts to promote integrity in their systems by sharing best practices and contributing to the UI Integrity Center's Suspicious Actor Repository.

Performance Accountability System

While true WIOA performance accountability was delayed at the national level as DOL and ED waited to obtain sufficient "Post-WIOA Begin" data, Texas completed its move to a WIOA-based performance accountability system in fall 2017, when TWC first reported WIOA-based program outcomes for state and local purposes.

TWC supplements the WIOA statutory measures to address inconsistencies between the measures and the statutory vision. While WIOA emphasizes the importance of career pathways, its measures only recognize steps along a career pathway as success for former youth participants. From TWC's perspective, helping a veteran who recently transitioned out of the military or a worker looking for a mid-career change to identify a new career pathway and enroll in an education or training program that will lead to that new career constitutes an important success, even if the workforce system is not funding the education or training. Therefore, TWC's supplemental WIOA-based measures look for either employment or educational enrollment in the quarters after exit.

Additionally, the statutory employment measures that focus on Quarter 4 (Q4) after exit vary little from the Q2 numbers. Furthermore, TWC questions whether the workforce system deserves recognition for an individual who exits but is unemployed and not enrolled in education for the

first three quarters after exit, but then is employed or enrolled in Q4. While it is possible that the workforce system affected the result, it is just as likely that it did not.

Therefore, Texas supplemented the statutory Employment (and Employment/Enrollment) Q4 measures with a measure that accounts for those who are employed or enrolled in Q2 and then analyzes what happens to the individuals in Q3 and Q4. This functions as a retention measure and includes both those individuals who were enrolled or employed in all three quarters and those that had a mixture of employment and enrollment across the three quarters. The measures build as follows:

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

WIOA provides for a two-stage performance target process. DOL developed a statistical model based on the presumed case mix and economic conditions for the performance periods and cohorts. Each state was able to negotiate a set of initial targets based on these assumptions and other factors. At the end of the year, DOL would reapply the statistical model. However, for this year DOL chose to implement the actual case mix and economic conditions and not the presumed or otherwise projected numbers used in the initial negotiations. In addition, DOL will examine the pre- and post-negotiation data coming out of the model and will make adjustments when it appears that one or more variables are not behaving as expected.

Because DOL has not yet completed the target adjustments for PY'20, it cannot be determined at this time whether TWC met PY'20 performance expectations. An analysis of actual performance as compared to the PY'20 performance targets that the agency initially negotiated with DOL for WIOA Title I and Title III Wagner-Peyser programs shows that there are six measures that came in under 90 percent of the designated target but that the average for each of the programs was greater than 90 percent of target. There was no single measure that fell close to 50% of the target threshold, where even a single measure can put a state at risk. However, as noted, the originally negotiated targets are believed to be too high, because even though at the time of the negotiation it was clear that the pandemic was going to have an impact on performance, predictions of the size and duration of the impact were, of course, impossible. TWC eagerly awaits DOL's strategy for accounting for the pandemic in the statistical adjustment models that are used to make year-end target adjustments.

Effectiveness in Serving Employers

Texas employers are primary TWC customers in the Texas workforce system. Measuring the success of services provided to employers is important for the state's economic success. However, TWC continues to have concerns over all three measures that DOL and ED chose to pilot in response to information collection requests published by the departments to obtain input on the proposals. The agency has continued to report all three measures to ensure that DOL and ED have complete data to use in evaluating the measures and, ideally, developing improvements.

Data Validation

TWC takes a four-pronged approach when validating data.

- TWC's case management system uses data validation codes to ensure consistent data collection. In this system, field values must meet the required Participant Individual Record Layout (PIRL).
- TWC's Subrecipient Monitoring Department (SRM) conducts data validation testing for all Boards. Beginning in September 2020, in coordination with TWC's Fraud Deterrence and Compliance Monitoring Division's Business Support group, SRM developed a dedicated database to capture testing results while allowing TWC to generate testing outcomes by Board area.
- I|3, TWC's reporting branch, performs error-checking audits designed to conform with DOL reporting requirements.
- Additionally, as part of TWC's data validation practices, the agency maintains a case management system with internal data integrity (DINT) functions. This function provides local system partners with the ability to make error corrections to data entries in the system, while enabling TWC to validate the corrections and approve or invalidate them based on standardized procedures. The DINT process is engaged when edits or corrections are submitted for system entries made in the previous quarter plus 20 days, effectively giving Boards 20 days after the previous quarter to make edits or corrections without the need to submit a DINT request, after which time all previous quarter entries require validation and approval by TWC's Workforce Automation department.

Following the governor's COVID-19 disaster proclamation, a moratorium was placed on travel. Between March 2020 and August 2020, data validation audits at the Workforce Solutions Offices ceased. SRM implemented remote data validation audits in September 2020. During this time, SRM reviewed all 28 Boards, though with a modified sample size. The remote data validation audit process and travel moratorium will be reevaluated before January 2022.

Activities Provided with Funds Reserved by the Governor

TWC uses governor's reserve statewide funding in conjunction with TANF funds, Adult Education and Family Literacy Act State Leadership funding, and other funding, where feasible and appropriate, to encourage innovation in workforce areas through grants to Boards, institutions of higher education, community-based organizations, and other eligible entities. TWC prioritizes programs that assist specific populations and initiatives, including veterans, youth, and science, technology, engineering, and math (STEM) programs.

The following activities were undertaken in whole or in part with WIOA funds reserved by the governor.

Veterans Initiatives

College Credit for Heroes

This program maximizes college credits awarded to veterans and service members for their military experience by eliminating obstacles to attaining the licensing, certification and accreditation, and degree awards that allow veterans to quickly transition from the classroom to the workforce. TWC maintains a web-based list of participating College Credit for Heroes institutions and assists in connecting veterans and transitioning service members to the schools of their choice. To date, 18 Texas colleges and universities have been awarded 39 grants that have resulted in the creation of 91 accelerated curricula courses in fields such as emergency medical services, surgical technology, respiratory therapy, health information technology, nursing, and cybersecurity. TWC and the Texas Higher Education Coordinating Board continue to explore ways in which the program can continue to grow and better serve veterans and transitioning service members.

Veterans Workforce Outreach Initiative

The purpose of the Veterans Workforce Outreach Initiative is to provide services to hard-to-serve veterans who have one or more barriers to employment, including homelessness; a history of substance abuse; physical, mental, or learning disabilities; post-traumatic stress disorder; justice-involved; or recent discharge from military duty.

The initiative is designed to:

- outreach hard-to-serve veterans who are not currently being served through Workforce Solutions Offices;
- address employment barriers faced by hard-to-serve veterans; and
- reintegrate hard-to-serve veterans into meaningful employment.

Under the guidance of a case manager, employment challenges are addressed and resources are accessed to help veterans overcome challenges to employment. Veterans benefit from a range of services, including:

- assessments;
- job development and job placement;
- individual case management services, including guidance, encouragement, and resources; and

- support services such as: transportation; rent and utility assistance; mental health assistance, including clinical counseling; wheelchairs, crutches, and medical beds; food assistance; and financial assistance.

From February 2020 to January 2021, the initiative provided 420 veterans with assessment services and enrolled 334 into the program. Of those enrolled, 204 were placed into employment with an average wage rate of \$16.90 per hour.

The current grant period of performance is March 1, 2021, through February 28, 2022.

Veterans Network

The Veterans Network initiative provides funds to community-based organizations (CBOs) to develop networks of entities whose missions include providing services and support to veterans. Referral and service information shared among network partners, including CBOs, the Texas Veterans Commission, and other veteran-centric organizations allows for the coordination of services over large areas of the state, regardless of the community in which veterans seek services. In FY'20, TWC awarded two grants totaling \$4,000,000 to Alamo Area Development Corporation (AADC) and Combined Arms, who demonstrated organizational experience in providing coordinated veteran's services. Grants issued in 2020 have a period of performance ending in 2023.

Veterans Network Program Results

Outcome Measures From April 2020 through March 31, 2021	Combined Arms Results	Combined Arms Yearly Target	AADC Results	AADC Yearly Target
Total Number of Organizations in Network	147	100	145	90
Number of Network Building Events	413	300	69	8
Number of Network Training/Workshops Held	73	20	43	4
Number of Network Organizations with Referral System Installed	147	100	145	90
Number of Referrals Made in the Referral System	19,446	35,000	4,281	1,500
Number of Unduplicated Veterans Served Using the Referral System	11,421	10,000	2,376	1,400

Table 2: Program results from the Veterans Network Initiative for the period from April 2020 to March 2021. During this period, both entities were able to exceed their targets for all outcome measures.

Youth Initiatives

Texas Science and Engineering Fair

The Texas Science and Engineering Fair (TXSEF), presented by Texas A&M Engineering Experiment Station, showcases state middle and high school science fair winners' research projects in science, technology, engineering, and math (STEM) fields. Social distancing requirements resulting from the COVID-19 pandemic prevented an on-site fair in 2020. As an alternative to cancellation, the program was successfully modified to host a research review, which allowed students to virtually present projects and receive constructive feedback from participating STEM professionals.

Texas Internship Initiative

The Texas Internship Initiative (TII) seeks to develop internship models that demonstrate effective work-based learning experiences that prepare high school, community, and technical college students for employment in targeted middle skill STEM occupations in Texas. Grantees partner with educational entities and employers to develop internships that will expand access to work experience. Participants will also receive academic credits and may have the opportunity to work towards an industry-based certification in an occupational area related to their education, training course, or program.

TII was cancelled in 2020 due to the COVID-19 pandemic. However, in the spring of 2021, a total of \$377,939 was awarded to five boards for TII programs that focus on key industry middle skill STEM occupations including veterinary technologists and technicians, medical and dental assistants, accounting and business management professionals, and automotive service technicians and mechanics.

Governor's Challenge Camp

The Governor's Science and Technology Champions Academy supports the development of Texas' future workforce by focusing on the advanced skills required for high-demand careers within targeted industries. Winners of the TXSEF are invited to attend a one-week residential camp designed to inspire students to pursue STEM-related college degrees and careers in Texas. Because TXSEF was cancelled in 2020 due to the COVID-19 pandemic, the Governor's Challenge Camp Scholarship contract was amended to provide scholarships to regional winners of the International Science and Engineering Fair.

Youth Job Skills

WIOA identifies dropping out of high school as a significant barrier to employment. TWC concluded that workforce areas with high concentrations of youth dropouts and UI claimants under age 24 could benefit from additional funding to better provide the skills needed to obtain and retain employment. TWC distributed \$2.75 million to the eight workforce areas that were designated as having the highest dropout rates and numbers of UI claimants under age 24. Eligible youth participated in basic education classes, internships, and classroom training designed to provide participants with a recognized industry credential leading to employment. Services included assistance with transportation and supplies needed for program participation, financial literacy classes to assist with learning basic budgeting and financial management, and

assistance with the development of the basic soft skills that an average work environment may require.

In PY'20, 870 total participants enrolled in this initiative and received services, with 218 individuals obtaining employment.

Other Selected Initiatives

Military Family Support Program

TWC recognizes that military spouses are an important part of their communities, yet they often have limited employment, education, and training opportunities due to the constant relocation of their families. This program provides employment assistance to military spouses who are experiencing difficulty obtaining employment, appropriate licensure or certifications, or new skills to compete in the job market. Assistance includes job search help, skills assessment, labor market information, help with résumé writing and interviewing skills, and support training in in-demand occupations.

The program has been funded for three years, with an allocation of \$1 million per fiscal year. Eight Texas military installations currently have memoranda of understanding (MOUs) with their respective Boards to participate in the program. During PY'20, almost 400 military spouses were outreached, and more than 330 were eventually registered in TWC's case management system. The Military Family Support Program has connected more than 600 military spouses to local business leaders, peers, and career development support programs.

Military Family Support Program Highlights

Program Outcomes	2018	2019	2020	Total
Number of Military Spouses Outreached	394	350	397	1,141
Number of Military Spouses Assisted in the MFSP/ Registered in WIT	186	230	337	753
Number of Military Spouses Receiving Credentials	34	38	9	81
Number of Employers Targeted to Hire Military Spouses	76	156	28	423
Number of Military Spouses Hired	72	74	17	163

Table 3: Program outcomes for the past three program years

COVID-19 had a large impact on the Military Family Support Program. Through most of 2020, there was limited access to military installations and workforce development programs. In March 2020, the Department of Defense (DoD) issued a stop-movement order, effectively halting the relocation of military families and restricting access to all military installations. The order was lifted in late June 2020; however, military installations around the world posted restrictions based on local COVID-19 policies. As of January 2021, only 37 percent of US military installations were open for unrestricted travel or access. From April 2020 to March 2021, the majority of the military spouse employment workshops and transition assistance programs were conducted virtually.

High-Demand Job Training Program

TWC supports collaborations between Boards and economic development corporations (EDCs) to provide high-demand occupational job training in workforce areas. This program supports Boards' partnerships with local EDCs to leverage local economic development sales taxes for high-demand job training. Boards collaborate with local EDCs and match their local economic development sales tax funds to jointly support the provision of such training.

In PY'20, TWC awarded grants totaling \$957,649 to nine Boards. Funds provided through these grants were used to enhance training, support services, and skills assessments and to enhance capacity by purchasing necessary equipment and supplies. These grants have improved immediate training opportunities for 1,685 participants and will continue to serve Texans to fill future in-demand jobs.

Building and Construction Trades

Grants provided under this initiative support workforce development training to prepare participants for industry-based certifications and employment in building and construction trade occupations. This program provides training for occupations that align with one or more of the specialty trades identified by the North American Industry Classification System and one or more high-demand occupations in the building and construction trades sector, including carpenters, plumbers, pipefitters, welders, masons, and electricians.

Innovative Academies

This program establishes a relationship between TWC and the Texas Education Agency regarding the coordination and development of the Pathways in Technology Early College High School (P-TECH) and Industry Cluster Innovative Academy (ICIA) programs. Funds support innovative partnerships among schools, employers, and colleges to provide opportunities for students to acquire skills, certifications, and credentials in high-demand occupations in key industry clusters while allowing them to earn college credit toward an associate degree or an articulated agreement toward a bachelor's degree. During the PY'18 to PY'20 period of performance, this initiative funded 17 P-TECH/ICIA planning grants and 10 P-TECH/ICIA success grants.

Rapid Response

TWC utilizes early warning indicators within the Business Insight Generator data warehouse to identify employers that might benefit from rapid response (RR) activities and specific short-term compensation services. TWC, Boards, and Workforce Solutions Office staff offer many services to help businesses and workers deal with the effects of layoffs and plant closures, including those that result from natural disasters, increased competition from imports, and other causes. RR is a proactive strategy designed to respond quickly to layoffs and plant closures through the provision of immediate on-site and/or virtual assistance with reemployment services and UI information, as well as group seminars to address stress and financial management issues. Some Boards have used mobile units to offer these services.

The COVID-19 pandemic has continued to impact the RR program. During PY'20, TWC offered RR services to 71,340 dislocated workers and 1,197 employers impacted by a layoff or closure. These employees were provided with information on UI, job search, and available workforce

services, including the WIOA and Trade Adjustment Assistance programs. RR funds were also used to provide employers with technology and personal protective equipment to keep their employees working, short-term compensation through the UI program, and customized training to ensure that companies can operate safely.

Ending the Middle Skills Gap

On June 30, 2021, the Commission earmarked funding for a comprehensive statewide strategy to end the middle skills gap in Texas. Due to technological advances in the workplace, employment demand has dramatically increased for individuals with middle skills, defined as workers with some education beyond high school but less than a four-year degree. Numerous initiatives have been proposed and approved for implementation focusing on career information, preparedness, connection, and progression activities to help put more Texas workers on a path to a career in a rewarding middle skills job. Such initiatives include the development of a career pathways mobile application, the provision of career coaching services, the enhancement of training and certifications for in-demand and targeted occupations, and the provision of short-term training for parents in the child care services program.

Additionally, to further support TWC's efforts in closing the middle skills gap, WIOA statewide funds were made available, in alignment with WIOA §134(a)(3)(A), for procuring and implementing a comprehensive publicly accessible library of credentials such as diplomas, certificates, certifications, digital badges, apprenticeships, licenses, or degrees that are:

- delivered, issued, funded, or governed by the state;
- aligned with recognized skills and industry standards;
- available to residents of the state; and
- used by employers in the state.

Restaurant Recovery Initiative

While the impacts of pandemic-related restrictions have been felt across all industry sectors, the restaurant industry was hit particularly hard. Limitations on occupancy capacity and changes in both hours and modes of operation have created great difficulty for restaurants trying to open safely and remain open.

TWC, in partnership with the Texas Restaurant Association, launched the Texas Restaurant Recovery Initiative to assist restaurateurs in developing new strategies to operate safely and leverage new technologies. The initiative is built around a series of training videos in English and Spanish that will share best practices to assist employers in adapting jobs to contactless operations and new service trends.

Additionally, the use of WIOA statewide funds has helped to provide instruction and testing for permits and certifications to workers in the restaurant industry, which helps ensure that Texas employers have a ready workforce as operations continue to expand.

National Dislocated Worker Grants

TWC has been awarded over \$39 million in National Dislocated Worker Grants (NDWGs) to provide COVID-19 disaster relief services in Texas. These funds have been used to assist local health departments with jobs related to virus response and to support food banks and other humanitarian work. The grant funds aid in the delivery of career services, training, and supportive services, including transportation and supplies, to help facilitate a successful return to work. As of September 2021, these grants have served more than 2,570 Texans, with 525 participants placed in temporary disaster relief employment and 889 participants enrolled in training.

TWC also received NDWGs in the amount of \$5,620,612 in response to Hurricane Laura and the winter storms of February 2021. These two grants have supported cleanup and recovery efforts. The grants currently serve 177 Texans, including 81 participants who have been placed in temporary disaster relief employment and 32 participants who are enrolled in training.

Promising Practices, Lessons Learned, and Success Stories

State Success Stories

Texas Industry Partnership

Through collaborations among Boards, private employers, and corporate foundations (partners), TWC has dedicated WIOA funds to address skill gaps and ensure that skilled workers will be available to meet regional industry needs. Collaborations must engage in allowable WIOA activities that support workforce development for the following six designated industry clusters: advanced technologies and manufacturing; aerospace and defense; biotechnology and life sciences; IT; petroleum refining and chemical products; and energy.

The intent of the Texas Industry Partnership program (TIP) is to support Boards in strengthening partnerships with communities, leverage available state and local resources, and foster collaboration with partners to promote occupational job training in Texas.

During PY'20, TWC awarded ten grants totaling \$718,143 to six Boards. Funds provided through these grants were used to purchase equipment and supplies and to pay for training reimbursement. Out of a total of 88 participants, 71 completed the program and 11 participants entered employment.

Local Success Stories

The Texas workforce system is strong and effective because of dedicated Board members, Workforce Solutions staff, and workforce partners who work hard to improve employment, education, and economic outcomes for the people they serve within their local communities. It is through their collective efforts that the Texas workforce system succeeds. Here are just a few of the many local success stories from around the state.

Driving Towards Success

Josiah, a WIOA adult customer, was approved for commercial driver license (CDL) training in June 2020. When his case manager called to tell him he was approved, he was moved to tears. He said, "Nobody has ever given me a chance; they all judge me." Josiah had many barriers to employment. He started CDL training at C1 Trucking in Fort Worth on June 22, 2020 and was hired by the company he preferred in August of 2020. His case manager consistently provided words of encouragement and constant support throughout his training to help ensure his success.

Tom, a dislocated worker originally employed in the oil industry, was exhausted from experiencing the roller-coaster effects of the oil market. He concluded that it was time to make the life-changing decision to train in an area of employment with greater stability. Tom graduated from the local community college with a CDL/tanker endorsement and was able to gain employment in the transportation industry. With these services provided by Workforce Solutions Permian Basin, he was able to earn wages sufficient to maintain a household of three.

Local Best Practices

Careers in Texas Industries Job Fairs

In 2020, Workforce Solutions South Plains (South Plains) utilized a partnership between themselves, TWC, Tri-Agency Workforce Initiative partners, the Governor's Office of Economic Development & Tourism, and industry associations to host virtual job fairs focused on facilitating career exploration for eighth graders. Thirty-nine businesses and 657 students attended the event. For the coming program years, South Plains aims to increase access to employment and training services by collaborating with rural high schools and providing funds to continue facilitating rural career fairs.

Technicians of Tomorrow

TWC and Workforce Solutions of Central Texas joined together with the Texas Ford Dealers Advertising Fund and the North Texas Ford Dealers Advertising Fund, the US Army, and Central Texas College to launch Technicians of Tomorrow (ToT) at the Fort Hood Army installation. As one of Fort Hood's new career skills programs, ToT helps transitioning service members obtain the knowledge and skills necessary to become certified automotive service technicians. The Ford Motor Company licensed Central Texas College to administer the 16-week training program at the Central Texas College main campus. ToT includes 12 weeks of classroom training and four weeks of training on-site at sponsoring Ford dealerships throughout Texas. The equipment purchased for the program was made possible using a \$106,303 TIP grant from TWC and through the leveraging of matched funds from the Texas Ford Dealers.

Projections indicate that 75 individuals will be trained annually, with 58 participants trained during the grant/start-up year. The industry-recognized certifications earned by those completing required training modules will be in the areas of electrical, brakes, climate control, steering, and suspension. Students successfully completing training will receive job offers from participating Texas Ford dealers. Recognizing that job offers can be declined, an 85% employment rate is expected. To date, during the initial year, this program has achieved an 86% employment rate as Ford technicians for participating service members.

A Partnership that Crosses Borders

Workforce Solutions Panhandle, in cooperation with five other Boards in the West Texas region, developed a regional workforce network (RWN) to share information towards building further capacity for seamless workforce operations and service delivery to workforce customers. The RWN focuses on identifying best practices for assessing skills training of career seekers and for employers to pinpoint relevant credentials necessary for successful job placement and retention. This effort includes the participation of several employers and multiple local colleges. Three Boards in the RWN collaborated to support the workforce needs resulting from the declining oil and gas industry in the Permian Basin/Cline Shale areas. The RWN is also working to develop new partnerships with partners in adjacent states, such as Oklahoma and New Mexico, with the goals of sharing "labor sheds;" developing a strategic approach to producing regional labor market information; hosting combined regional job fairs and other events that support workforce development; responding to economic development challenges; and ultimately better serving the workforce customers in these areas.