

Improve Quality and Accessibility of State Labor Market Data

Key Takeaways:

- The state's data is currently insufficient to produce accurate linkages between education/training programs and occupations.
- HB 3767 (87-R) authorized a pilot program to enhance the state's labor market data.
- Clear connections between education/training programs and occupations allows the state to maximize the return-on-investment of its investments as well as Texans' investments.

Background:

In response to House Bill 3767 (87-R), the Tri-Agency Workforce Initiative adopted the state's first-ever workforce development goals and strategies, with particular emphasis on establishing pathways to in-demand occupations. These pathways will require education or training opportunities in addition to a high school diploma, especially with the pandemic economy shifting demand towards skilled jobs. However, the state is unable to closely map the linkages between education/training programs and occupations because of insufficient data on the actual occupations of Texas workers. HB 3767 addresses this by authorizing a pilot to enhance the quality of labor market data reported by Texas employers as part of routine unemployment insurance (UI) wage filings.

Proposed Action:

Texas 2036 supports adoption of TWC's exceptional item request item #12, Supply & Demand Tool, to improve the state's labor market data. In particular, Texas 2036 supports the implementation of enhanced data collection through UI wage filings to improve education and workforce linkages as authorized by HB 3767.

Budget Cost Estimate:

TWC estimates this exceptional item to cost \$3 million in Federal Funds for Fiscal Year 2024.

Public Policy Impact:

The state can simultaneously obtain enhanced labor market data directly from employers while improving employers' experience with required UI reporting. Accurate linkages between education and training programs and occupations allows the state to better target its resources towards programs with validated value in the labor market.