

Section 1

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Larry Temple, Executive Director

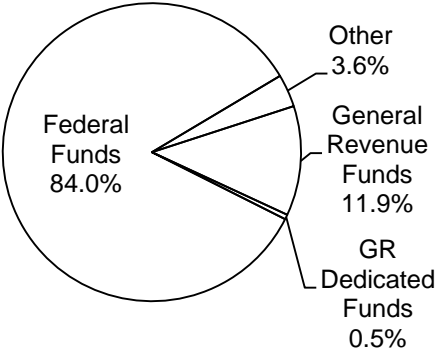
Julie Lindsey, LBB Analyst

Texas Workforce Commission Summary of Recommendations - Senate				
Method of Financing	2014-15 Base	2016-17 Recommended	Biennial Change	% Change
General Revenue Funds	\$263,091,860	\$377,577,933	\$114,486,073	43.5%
GR Dedicated Funds	\$14,302,552	\$16,535,886	\$2,233,334	15.6%
Total GR-Related Funds	\$277,394,412	\$394,113,819	\$116,719,407	42.1%
Federal Funds	\$1,981,841,461	\$2,667,850,867	\$686,009,406	34.6%
Other	\$115,092,457	\$112,748,041	(\$2,344,416)	(2.0%)
All Funds	\$2,374,328,330	\$3,174,712,727	\$800,384,397	33.7%

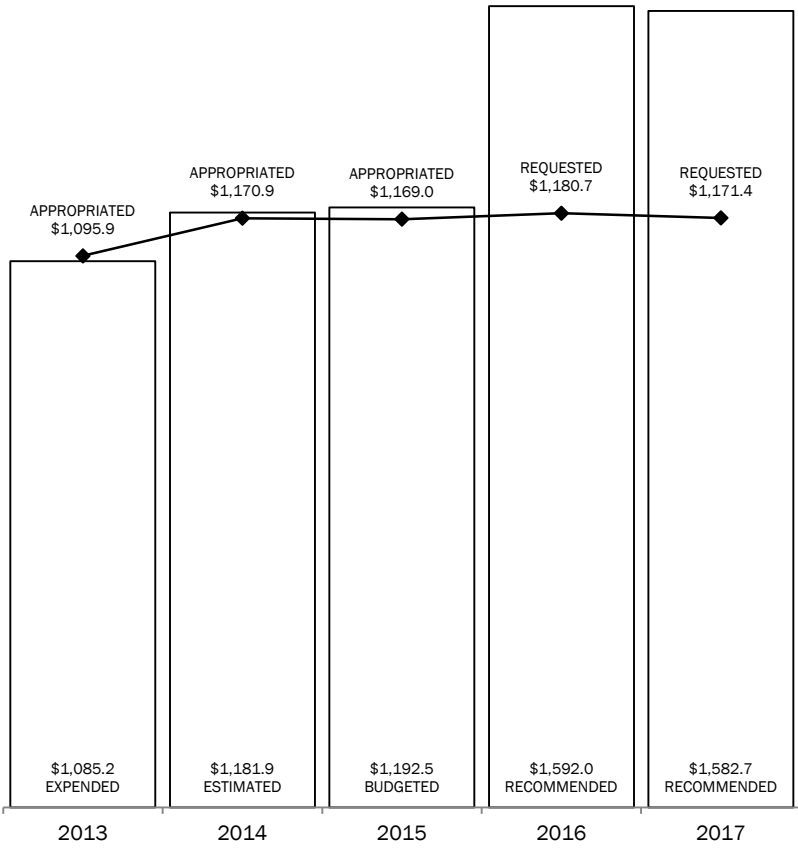
	FY 2015 Budgeted	FY 2017 Recommended	Biennial Change	% Change
FTEs	2,959.8	5,453.7	2,493.9	84.3%

RECOMMENDED FUNDING  
BY METHOD OF FINANCING

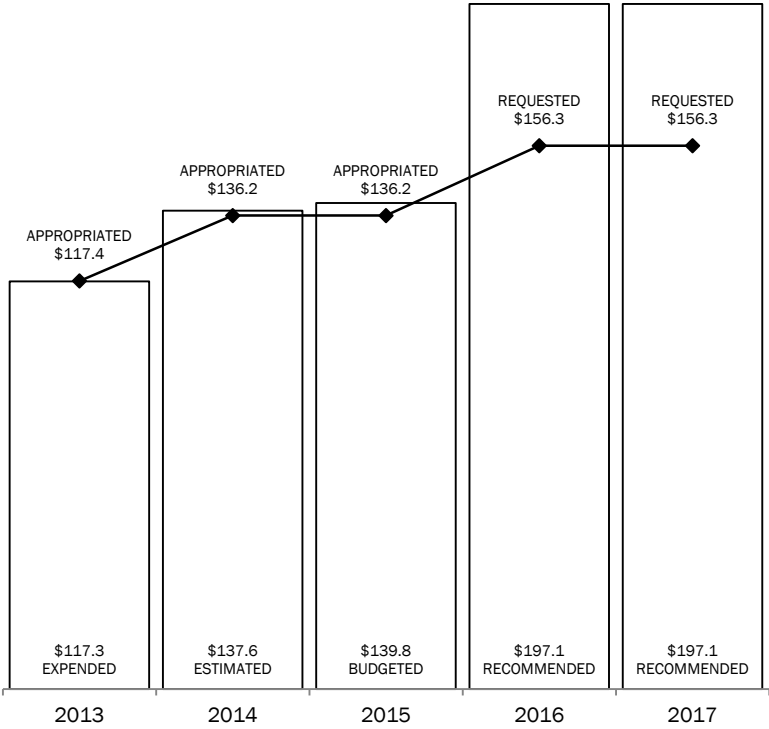


The bill pattern for this agency (2016-17 Recommended) represents an estimated 99.7% of the agency's estimated total available funds for the 2016-17 biennium.

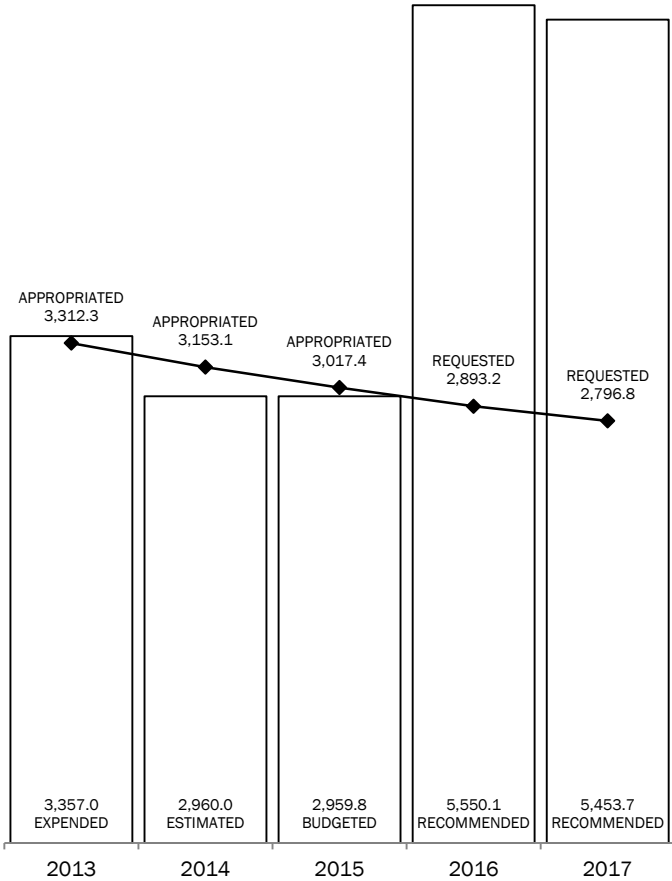
ALL FUNDS



GENERAL REVENUE AND  
GENERAL REVENUE-DEDICATED FUNDS



FULL-TIME-EQUIVALENT POSITIONS



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Texas Workforce Commission  
Summary of Recommendations - Senate, By Method of Finance -- ALL FUNDS

Strategy/Goal	2014-15 Base	2016-17 Recommended	Biennial Change	% Change	Comments
WORKFORCE INVESTMENT ACT A.1.1	\$247,699,057	\$230,264,096	(\$17,434,961)	(7.0%)	Recommendations decrease Federal Funds for Workforce Investment Act (WIA) as funds are not expected to be available in fiscal years 2016-17. Anticipated reductions include \$5.2 million in the WIA Adult Dislocated Worker grant, \$1.5 million in the Rapid Response grant, and \$10.7 million in the National Emergency Grants.
WORKFORCE INVESTMENT ACT - YOUTH A.1.2	\$97,029,594	\$98,259,824	\$1,230,230	1.3%	Recommendations provide for an increase in Federal Funds due to an anticipated increase in WIA - Youth grant funding for fiscal years 2016-17.
TANF CHOICES A.1.3	\$181,862,689	\$174,437,670	(\$7,425,019)	(4.1%)	Recommendations decrease Federal Funds for the TANF Choices program due to the removal of funding from the Office of the Attorney General for Non-Custodial Parents participating in the TANF program.
EMPLOYMENT AND COMMUNITY SERVICES A.1.4	\$95,358,928	\$97,545,991	\$2,187,063	2.3%	Recommendations provide for an increase in Federal Funds for Employment and Community Services due to an anticipated increase in grant funding for fiscal years 2016-17.
SNAP E & T A.1.5	\$38,863,758	\$39,593,947	\$730,189	1.9%	Recommendations provide for an increase in Federal Funds for SNAP Employment & Training due to an anticipated increase in grant funding for fiscal years 2016-17.
TRADE AFFECTED WORKERS A.1.6	\$36,921,086	\$26,355,771	(\$10,565,315)	(28.6%)	Recommendations decrease Federal Funds for Trade Affected Workers as funds are not expected to be available in fiscal years 2016-17 due to new federal provisions restricting the number of firms eligible for these grants.
SENIOR EMPLOYMENT SERVICES A.1.7	\$9,899,984	\$9,603,174	(\$296,810)	(3.0%)	Recommendations decrease Federal Funds for Senior Employment Services as funds are not expected to be available in fiscal years 2016-17.
APPRENTICESHIP A.1.8	\$6,099,175	\$5,911,660	(\$187,515)	(3.1%)	

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Texas Workforce Commission  
Summary of Recommendations - Senate, By Method of Finance -- ALL FUNDS

Strategy/Goal	2014-15 Base	2016-17 Recommended	Biennial Change	% Change	Comments
ADULT EDUCATION AND FAMILY LITERACY A.1.9	\$162,300,556	\$141,251,813	(\$21,048,743)	(13.0%)	Recommendations decrease Federal Funds for Adult Education to account for additional one-time funding that was provided to the agency during the transfer of the program from the Texas Education Agency in fiscal year 2014.
SKILLS DEVELOPMENT A.2.1	\$48,225,471	\$48,591,714	\$366,243	0.8%	Recommendations include an increase in General Revenue funding to biennialize salaries at the 2015 level.
SELF SUFFICIENCY A.2.2	\$5,318,959	\$5,247,279	(\$71,680)	(1.3%)	
LABOR MARKET AND CAREER INFORMATION A.2.3	\$8,411,671	\$8,721,811	\$310,140	3.7%	Recommendations provide for an increase in Federal Funds for Labor Market and Career Information due to an anticipated increase in grant funding in fiscal years 2016-17.
WORK OPPORTUNITY TAX CREDIT A.2.4	\$1,792,956	\$1,611,708	(\$181,248)	(10.1%)	Recommendations decrease Federal Funds for Work Opportunity Tax Credit due to decreased staffing levels implemented in response to the agency's Rapid Process Improvement project.
FOREIGN LABOR CERTIFICATION A.2.5	\$1,159,351	\$1,018,874	(\$140,477)	(12.1%)	Recommendations decrease Federal Funds for Foreign Labor Certification due to the removal of a temporary shift of FTEs into the strategy to assist in reducing the backlog of certifications in fiscal year 2014.
TANF CHOICES CHILD CARE A.3.1	\$67,650,964	\$72,044,749	\$4,393,785	6.5%	Recommendations provide for an increase in Federal Funds for TANF Child Care due to an anticipated increase in costs for child care services, based on HHSC's forecast for fiscal years 2016-17 TANF caseload.
AT-RISK & TRANSITIONAL CHILD CARE A.3.2	\$949,547,889	\$955,724,786	\$6,176,897	0.7%	Recommendations provide for an increase in Federal Funds for Child Care due to an anticipated increase in grant funding for fiscal years 2016-17.
CHILD CARE ADMINISTRATION A.3.3	\$12,465,347	\$12,616,430	\$151,083	1.2%	
CHILD CARE - DFPS FAMILIES A.3.4	\$104,893,188	\$104,893,188	\$0	0.0%	

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Texas Workforce Commission					
Summary of Recommendations - Senate, By Method of Finance -- ALL FUNDS					
Strategy/Goal	2014-15 Base	2016-17 Recommended	Biennial Change	% Change	Comments
UNEMPLOYMENT CLAIMS A.4.1	\$140,866,826	\$127,400,898	(\$13,465,928)	(9.6%)	Recommendations decrease Federal Funds for Unemployment Insurance due to an anticipated decline in unemployment claims for fiscal years 2016-17, and the ending of the Emergency Unemployment Compensation grant in fiscal year 2014.
UNEMPLOYMENT APPEALS A.4.2	\$36,887,733	\$34,816,074	(\$2,071,659)	(5.6%)	Recommendations decrease Federal Funds in Unemployment Insurance due to an anticipated decline in unemployment claims for fiscal years 2016-17.
UNEMPLOYMENT TAX COLLECTION A.4.3	\$50,185,833	\$52,956,946	\$2,771,113	5.5%	Recommendations increase General Revenue funding, General Revenue-Dedicated funding, and Federal Funds for Unemployment Tax Collection to support the UI IT Improvement Tax Modernization capital budget project for fiscal year 2016.
<b>Total, Goal A, WORKFORCE DEVELOPMENT</b>	<b>\$2,303,441,015</b>	<b>\$2,248,868,403</b>	<b>(\$54,572,612)</b>	<b>(2.4%)</b>	
SUBRECIPIENT MONITORING B.1.1	\$5,592,348	\$5,530,959	(\$61,389)	(1.1%)	
TECHNICAL ASSISTANCE B.1.2	\$10,304,038	\$10,802,169	\$498,131	4.8%	Recommendations increase General Revenue funding, General Revenue-Dedicated funding, and Federal Funds in order to provide additional technical assistance to SNAP Employment & Training and TANF programs.
LABOR LAW INSPECTIONS B.1.3	\$7,925,899	\$8,064,520	\$138,621	1.7%	
CAREER SCHOOLS & COLLEGES B.1.4	\$1,953,809	\$1,955,000	\$1,191	0.1%	
CIVIL RIGHTS B.2.1	\$4,419,275	\$4,582,138	\$162,863	3.7%	
<b>Total, Goal B, PROGRAM ACCOUNTABILITY/ENFORCEMENT</b>	<b>\$30,195,369</b>	<b>\$30,934,786</b>	<b>\$739,417</b>	<b>2.4%</b>	
CENTRAL ADMINISTRATION C.1.1	\$23,828,792	\$23,914,783	\$85,991	0.4%	

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Texas Workforce Commission  
Summary of Recommendations - Senate, By Method of Finance -- ALL FUNDS

Strategy/Goal	2014-15 Base	2016-17 Recommended	Biennial Change	% Change	Comments
INFORMATION RESOURCES C.1.2	\$13,340,769	\$11,848,331	(\$1,492,438)	(11.2%)	Recommendations decrease General Revenue-Dedicated funding and Federal Funds due to a reduction in estimated costs associated with Daily Operations projects, including Administration Systems, Local Area Network/Wide Area Network upgrades, and PC support.
OTHER SUPPORT SERVICES C.1.3	\$3,522,385	\$3,599,318	\$76,933	2.2%	
<b>Total, Goal C, INDIRECT ADMINISTRATION</b>	<b>\$40,691,946</b>	<b>\$39,362,432</b>	<b>(\$1,329,514)</b>	<b>(3.3%)</b>	
VOCATIONAL REHABILITATION D.1.1	\$0	\$540,692,989	\$540,692,989	100.0%	
BUSINESS ENTERPRISES OF TEXAS (BET) D.1.2	\$0	\$4,927,210	\$4,927,210	100.0%	
BUSN ENTERPRISES OF TEX TRUST FUND D.1.3	\$0	\$808,424	\$808,424	100.0%	
PROGRAM SUPPORT - VOCATIONAL REHAB D.2.1	\$0	\$42,257,829	\$42,257,829	100.0%	
PROGRAM SUPPORT - OTHER D.2.2	\$0	\$32,456,942	\$32,456,942	100.0%	
<b>Total, Goal D, PERSONS WITH DISABILITIES</b>	<b>\$0</b>	<b>\$621,143,394</b>	<b>\$621,143,394</b>	<b>100.0%</b>	Recommendations increase All Funds to reflect the transfer of the Vocational Rehabilitation and Business Enterprises of Texas programs from the Department of Assistive and Rehabilitative Services (DARS). The transfer is contingent upon passage of legislation (see Selected Fiscal and Policy Issue #1).
DISABILITY DETERMINATION SVCS (DDS) E.1.1	\$0	\$234,403,712	\$234,403,712	100.0%	
<b>Total, Goal E, DISABILITY DETERMINATION</b>	<b>\$0</b>	<b>\$234,403,712</b>	<b>\$234,403,712</b>	<b>100.0%</b>	Recommendations increase All Funds to reflect the transfer of the Disability Determination Services program from the Department of Assistive and Rehabilitative Services (DARS). The transfer is contingent upon passage of legislation (see Selected Fiscal and Policy Issue #1).
<b>Grand Total, All Strategies</b>	<b>\$2,374,328,330</b>	<b>\$3,174,712,727</b>	<b>\$800,384,397</b>	<b>33.7%</b>	Recommendations increase All Funds by \$855,547,106 to reflect the transfer of programs from the Department of Assistive and Rehabilitative Services (DARS). The transfer is contingent upon passage of legislation (see Selected Fiscal and Policy Issue #1).

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Texas Workforce Commission  
Summary of Recommendations - Senate, By Method of Finance -- GENERAL REVENUE FUNDS

Strategy/Goal	2014-15 Base	2016-17 Recommended	Biennial Change	% Change	Comments
WORKFORCE INVESTMENT ACT A.1.1	\$100,095	\$114,760	\$14,665	14.7%	
WORKFORCE INVESTMENT ACT - YOUTH A.1.2	\$0	\$0	\$0	0.0%	
TANF CHOICES A.1.3	\$13,658,704	\$17,658,704	\$4,000,000	29.3%	Recommendations increase TANF MOE General Revenue funding due to a Method of Finance swap. \$4 million of TANF Choices federal funding was replaced with TANF MOE General Revenue funding from Strategy A.1.9. Adult Education and Family Literacy (see Selected Fiscal and Policy Issues #6).
EMPLOYMENT AND COMMUNITY SERVICES A.1.4	\$11,897,367	\$12,311,873	\$414,506	3.5%	
SNAP E & T A.1.5	\$8,314,965	\$8,246,842	(\$68,123)	(0.8%)	
TRADE AFFECTED WORKERS A.1.6	\$0	\$0	\$0	0.0%	
SENIOR EMPLOYMENT SERVICES A.1.7	\$6,466	\$9,948	\$3,482	53.9%	
APPRENTICESHIP A.1.8	\$3,343,125	\$3,355,660	\$12,535	0.4%	
ADULT EDUCATION AND FAMILY LITERACY A.1.9	\$27,824,283	\$23,852,485	(\$3,971,798)	(14.3%)	Recommendations decrease TANF MOE General Revenue funding due to a Method of Finance swap. \$4 million of TANF MOE General Revenue funding was replaced with TANF Choices federal funding from Strategy A.1.3. TANF Choices. Recommendations also include an increase of approximately \$28,000 in General Revenue funding to biennialize salaries at the 2015 level.
SKILLS DEVELOPMENT A.2.1	\$48,225,471	\$48,591,714	\$366,243	0.8%	Recommendations include an increase in General Revenue funding to biennialize salaries at the 2015 level.
SELF SUFFICIENCY A.2.2	\$0	\$0	\$0	0.0%	
LABOR MARKET AND CAREER INFORMATION A.2.3	\$117,237	\$169,690	\$52,453	44.7%	
WORK OPPORTUNITY TAX CREDIT A.2.4	\$0	\$0	\$0	0.0%	
FOREIGN LABOR CERTIFICATION A.2.5	\$0	\$0	\$0	0.0%	
TANF CHOICES CHILD CARE A.3.1	\$22,230,091	\$24,744,436	\$2,514,345	11.3%	Recommendations increase TANF Choices Child Care General Revenue funding due to an anticipated increase in costs for child care services, based on HHSC's forecast for fiscal years 2016-17 TANF caseload. Approximately \$2.5 million of General Revenue funding from Strategy A.3.2. At-Risk & Transitional Child Care was moved for this purpose.

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Texas Workforce Commission					
Summary of Recommendations - Senate, By Method of Finance -- GENERAL REVENUE FUNDS					
Strategy/Goal	2014-15 Base	2016-17 Recommended	Biennial Change	% Change	Comments
AT-RISK & TRANSITIONAL CHILD CARE A.3.2	\$118,387,825	\$115,873,480	(\$2,514,345)	(2.1%)	Recommendations decrease TANF At-Risk & Transitional Child Care General Revenue funding due to an anticipated increase in costs for child care services for TANF Choices, based on HHSC's forecast for fiscal years 2016-17 TANF caseload. Approximately \$2.5 million of General Revenue funding was moved to Strategy A.3.1. TANF Choice Child Care for this purpose.
CHILD CARE ADMINISTRATION A.3.3	\$77,759	\$116,245	\$38,486	49.5%	Recommendations include an increase in General Revenue funding to biennialize salaries at the 2015 level.
CHILD CARE - DFPS FAMILIES A.3.4	\$0	\$0	\$0	0.0%	
UNEMPLOYMENT CLAIMS A.4.1	\$1,563,005	\$2,013,581	\$450,576	28.8%	Recommendations include an increase in General Revenue funding to biennialize salaries at the 2015 level.
UNEMPLOYMENT APPEALS A.4.2	\$461,493	\$590,065	\$128,572	27.9%	Recommendations include an increase in General Revenue funding to biennialize salaries at the 2015 level.
UNEMPLOYMENT TAX COLLECTION A.4.3	\$690,427	\$932,732	\$242,305	35.1%	Recommendations include an increase in General Revenue funding to biennialize salaries at the 2015 level.
<b>Total, Goal A, WORKFORCE DEVELOPMENT</b>	<b>\$256,898,313</b>	<b>\$258,582,215</b>	<b>\$1,683,902</b>	<b>0.7%</b>	
SUBRECIPIENT MONITORING B.1.1	\$411,012	\$398,079	(\$12,933)	(3.1%)	
TECHNICAL ASSISTANCE B.1.2	\$489,428	\$627,224	\$137,796	28.2%	Recommendations include an increase in General Revenue funding to biennialize salaries at the 2015 level.
LABOR LAW INSPECTIONS B.1.3	\$0	\$0	\$0	0.0%	
CAREER SCHOOLS & COLLEGES B.1.4	\$1,953,809	\$1,955,000	\$1,191	0.1%	
CIVIL RIGHTS B.2.1	\$1,631,056	\$1,582,339	(\$48,717)	(3.0%)	
<b>Total, Goal B, PROGRAM ACCOUNTABILITY/ENFORCEMENT</b>	<b>\$4,485,305</b>	<b>\$4,562,642</b>	<b>\$77,337</b>	<b>1.7%</b>	
CENTRAL ADMINISTRATION C.1.1	\$1,063,780	\$1,324,264	\$260,484	24.5%	Recommendations include an increase in General Revenue funding to biennialize salaries at the 2015 level.
INFORMATION RESOURCES C.1.2	\$495,639	\$518,225	\$22,586	4.6%	



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Texas Workforce Commission  
Summary of Recommendations - Senate, By Method of Finance -- GENERAL REVENUE FUNDS

Strategy/Goal	2014-15 Base	2016-17 Recommended	Biennial Change	% Change	Comments
OTHER SUPPORT SERVICES C.1.3	\$148,823	\$188,573	\$39,750	26.7%	
<b>Total, Goal C, INDIRECT ADMINISTRATION</b>	<b>\$1,708,242</b>	<b>\$2,031,062</b>	<b>\$322,820</b>	<b>18.9%</b>	
VOCATIONAL REHABILITATION D.1.1	\$0	\$102,936,712	\$102,936,712	100.0%	
BUSINESS ENTERPRISES OF TEXAS (BET) D.1.2	\$0	\$0	\$0	0.0%	
BUSN ENTERPRISES OF TEX TRUST FUND D.1.3	\$0	\$0	\$0	0.0%	
PROGRAM SUPPORT - VOCATIONAL REHAB D.2.1	\$0	\$6,665,084	\$6,665,084	100.0%	
PROGRAM SUPPORT - OTHER D.2.2	\$0	\$2,800,218	\$2,800,218	100.0%	
<b>Total, Goal D, PERSONS WITH DISABILITIES</b>	<b>\$0</b>	<b>\$112,402,014</b>	<b>\$112,402,014</b>	<b>100.0%</b>	Recommendations increase General Revenue to reflect the transfer of the Vocational Rehabilitation and Business Enterprises of Texas programs from the Department of Assistive and Rehabilitative Services (DARS). The transfer is contingent upon passage of legislation (see Selected Fiscal and Policy Issue #1).
DISABILITY DETERMINATION SVCS (DDS) E.1.1	\$0	\$0	\$0	0.0%	
<b>Total, Goal E, DISABILITY DETERMINATION</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0%</b>	
<b>Grand Total, All Strategies</b>	<b>\$263,091,860</b>	<b>\$377,577,933</b>	<b>\$114,486,073</b>	<b>43.5%</b>	Recommendations increase General Revenue funding by \$2,084,059 to biennialize salaries at 2015 levels and \$112,402,014 to transfer programs from the Department of Assistive and Rehabilitative Services (see Selected Fiscal and Policy Issue #1).

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Texas Workforce Commission					
Summary of Recommendations - Senate, By Method of Finance -- GR DEDICATED					
Strategy/Goal	2014-15 Base	2016-17 Recommended	Biennial Change	% Change	Comments
WORKFORCE INVESTMENT ACT A.1.1	\$0	\$0	\$0	0.0%	
WORKFORCE INVESTMENT ACT - YOUTH A.1.2	\$0	\$0	\$0	0.0%	
TANF CHOICES A.1.3	\$0	\$0	\$0	0.0%	
EMPLOYMENT AND COMMUNITY SERVICES A.1.4	\$4,022,342	\$4,001,737	(\$20,605)	(0.5%)	
SNAP E & T A.1.5	\$0	\$0	\$0	0.0%	
TRADE AFFECTED WORKERS A.1.6	\$0	\$0	\$0	0.0%	
SENIOR EMPLOYMENT SERVICES A.1.7	\$0	\$0	\$0	0.0%	
APPRENTICESHIP A.1.8	\$0	\$0	\$0	0.0%	
ADULT EDUCATION AND FAMILY LITERACY A.1.9	\$0	\$0	\$0	0.0%	
SKILLS DEVELOPMENT A.2.1	\$0	\$0	\$0	0.0%	
SELF SUFFICIENCY A.2.2	\$0	\$0	\$0	0.0%	
LABOR MARKET AND CAREER INFORMATION A.2.3	\$0	\$0	\$0	0.0%	
WORK OPPORTUNITY TAX CREDIT A.2.4	\$0	\$0	\$0	0.0%	
FOREIGN LABOR CERTIFICATION A.2.5	\$0	\$0	\$0	0.0%	
TANF CHOICES CHILD CARE A.3.1	\$0	\$0	\$0	0.0%	
AT-RISK & TRANSITIONAL CHILD CARE A.3.2	\$0	\$0	\$0	0.0%	
CHILD CARE ADMINISTRATION A.3.3	\$0	\$0	\$0	0.0%	
CHILD CARE - DFPS FAMILIES A.3.4	\$0	\$0	\$0	0.0%	
UNEMPLOYMENT CLAIMS A.4.1	\$0	\$0	\$0	0.0%	
UNEMPLOYMENT APPEALS A.4.2	\$0	\$0	\$0	0.0%	
UNEMPLOYMENT TAX COLLECTION A.4.3	\$914,773	\$920,522	\$5,749	0.6%	
Total, Goal A, WORKFORCE DEVELOPMENT	\$4,937,115	\$4,922,259	(\$14,856)	(0.3%)	
SUBRECIPIENT MONITORING B.1.1	\$0	\$0	\$0	0.0%	
TECHNICAL ASSISTANCE B.1.2	\$32,396	\$33,170	\$774	2.4%	
LABOR LAW INSPECTIONS B.1.3	\$7,925,899	\$8,064,520	\$138,621	1.7%	
CAREER SCHOOLS & COLLEGES B.1.4	\$0	\$0	\$0	0.0%	
CIVIL RIGHTS B.2.1	\$0	\$0	\$0	0.0%	
Total, Goal B, PROGRAM ACCOUNTABILITY/ENFORCEMENT	\$7,958,295	\$8,097,690	\$139,395	1.8%	
CENTRAL ADMINISTRATION C.1.1	\$901,319	\$898,024	(\$3,295)	(0.4%)	

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Texas Workforce Commission					
Summary of Recommendations - Senate, By Method of Finance -- GR DEDICATED					
Strategy/Goal	2014-15 Base	2016-17 Recommended	Biennial Change	% Change	Comments
INFORMATION RESOURCES C.1.2	\$410,123	\$360,787	(\$49,336)	(12.0%)	Recommendations decrease funding due to a reduction in the estimated costs associated with Daily Operations projects, include Administration Systems, Local Area Network/Wide Area Network upgrades, and PC support.
OTHER SUPPORT SERVICES C.1.3	\$95,700	\$96,968	\$1,268	1.3%	
<b>Total, Goal C, INDIRECT ADMINISTRATION</b>	<b>\$1,407,142</b>	<b>\$1,355,779</b>	<b>(\$51,363)</b>	<b>(3.7%)</b>	
VOCATIONAL REHABILITATION D.1.1	\$0	\$0	\$0	0.0%	Recommendations increase funding to reflect the transfer of the Business Enterprises of Texas program from the Department of Assistive and Rehabilitative Services (DARS). The transfer is contingent upon passage of legislation (see Selected Fiscal and Policy Issue #1).
BUSINESS ENTERPRISES OF TEXAS (BET) D.1.2	\$0	\$1,351,734	\$1,351,734	100.0%	
BUSN ENTERPRISES OF TEX TRUST FUND D.1.3	\$0	\$808,424	\$808,424	100.0%	
PROGRAM SUPPORT - VOCATIONAL REHAB D.2.1	\$0	\$0	\$0	0.0%	
PROGRAM SUPPORT - OTHER D.2.2	\$0	\$0	\$0	0.0%	
<b>Total, Goal D, PERSONS WITH DISABILITIES</b>	<b>\$0</b>	<b>\$2,160,158</b>	<b>\$2,160,158</b>	<b>100.0%</b>	
DISABILITY DETERMINATION SVCS (DDS) E.1.1	\$0	\$0	\$0	0.0%	
<b>Total, Goal E, DISABILITY DETERMINATION</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0%</b>	
<b>Grand Total, All Strategies</b>	<b>\$14,302,552</b>	<b>\$16,535,886</b>	<b>\$2,233,334</b>	<b>15.6%</b>	Recommendations increase General Revenue-Dedicated funding by \$73,176 to biennialize salaries at 2015 levels and \$2,160,158 to transfer the Business Enterprises of Texas program from the Department of Assistive and Rehabilitative Services (see Selected Fiscal and Policy Issue #1).

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Texas Workforce Commission					
Summary of Recommendations - Senate, By Method of Finance -- FEDERAL FUNDS					
Strategy/Goal	2014-15 Base	2016-17 Recommended	Biennial Change	% Change	Comments
WORKFORCE INVESTMENT ACT A.1.1	\$247,598,962	\$230,149,336	(\$17,449,626)	(7.0%)	
WORKFORCE INVESTMENT ACT - YOUTH A.1.2	\$97,029,594	\$98,259,824	\$1,230,230	1.3%	
TANF CHOICES A.1.3	\$162,595,028	\$156,778,966	(\$5,816,062)	(3.6%)	
EMPLOYMENT AND COMMUNITY SERVICES A.1.4	\$78,602,853	\$80,021,612	\$1,418,759	1.8%	
SNAP E & T A.1.5	\$30,548,793	\$31,347,105	\$798,312	2.6%	
TRADE AFFECTED WORKERS A.1.6	\$36,921,086	\$26,355,771	(\$10,565,315)	(28.6%)	
SENIOR EMPLOYMENT SERVICES A.1.7	\$9,893,518	\$9,593,226	(\$300,292)	(3.0%)	
APPRENTICESHIP A.1.8	\$2,756,050	\$2,556,000	(\$200,050)	(7.3%)	
ADULT EDUCATION AND FAMILY LITERACY A.1.9	\$134,476,273	\$117,399,328	(\$17,076,945)	(12.7%)	
SKILLS DEVELOPMENT A.2.1	\$0	\$0	\$0	0.0%	
SELF SUFFICIENCY A.2.2	\$5,318,959	\$5,247,279	(\$71,680)	(1.3%)	
LABOR MARKET AND CAREER INFORMATION A.2.3	\$7,921,194	\$8,201,674	\$280,480	3.5%	
WORK OPPORTUNITY TAX CREDIT A.2.4	\$1,792,956	\$1,611,708	(\$181,248)	(10.1%)	
FOREIGN LABOR CERTIFICATION A.2.5	\$1,159,351	\$1,018,874	(\$140,477)	(12.1%)	
TANF CHOICES CHILD CARE A.3.1	\$45,420,873	\$47,300,313	\$1,879,440	4.1%	
AT-RISK & TRANSITIONAL CHILD CARE A.3.2	\$828,460,064	\$837,451,306	\$8,991,242	1.1%	
CHILD CARE ADMINISTRATION A.3.3	\$12,387,588	\$12,500,185	\$112,597	0.9%	
CHILD CARE - DFPS FAMILIES A.3.4	\$0	\$0	\$0	0.0%	
UNEMPLOYMENT CLAIMS A.4.1	\$139,192,977	\$125,149,359	(\$14,043,618)	(10.1%)	
UNEMPLOYMENT APPEALS A.4.2	\$36,426,230	\$34,226,009	(\$2,200,221)	(6.0%)	
UNEMPLOYMENT TAX COLLECTION A.4.3	\$48,580,633	\$51,103,692	\$2,523,059	5.2%	
<b>Total, Goal A, WORKFORCE DEVELOPMENT</b>	<b>\$1,927,082,982</b>	<b>\$1,876,271,567</b>	<b>(\$50,811,415)</b>	<b>(2.6%)</b>	
SUBRECIPIENT MONITORING B.1.1	\$5,181,336	\$5,132,880	(\$48,456)	(0.9%)	
TECHNICAL ASSISTANCE B.1.2	\$9,770,304	\$10,141,775	\$371,471	3.8%	
LABOR LAW INSPECTIONS B.1.3	\$0	\$0	\$0	0.0%	
CAREER SCHOOLS & COLLEGES B.1.4	\$0	\$0	\$0	0.0%	
CIVIL RIGHTS B.2.1	\$2,584,855	\$2,798,307	\$213,452	8.3%	
<b>Total, Goal B, PROGRAM ACCOUNTABILITY/ENFORCEMENT</b>	<b>\$17,536,495</b>	<b>\$18,072,962</b>	<b>\$536,467</b>	<b>3.1%</b>	
CENTRAL ADMINISTRATION C.1.1	\$21,821,604	\$21,658,165	(\$163,439)	(0.7%)	
INFORMATION RESOURCES C.1.2	\$12,415,776	\$10,955,428	(\$1,460,348)	(11.8%)	
OTHER SUPPORT SERVICES C.1.3	\$2,984,604	\$3,083,905	\$99,301	3.3%	

Section 2

Texas Workforce Commission  
Summary of Recommendations - Senate, By Method of Finance -- FEDERAL FUNDS

Strategy/Goal	2014-15 Base	2016-17 Recommended	Biennial Change	% Change	Comments
Total, Goal C, INDIRECT ADMINISTRATION	\$37,221,984	\$35,697,498	(\$1,524,486)	(4.1%)	
VOCATIONAL REHABILITATION D.1.1	\$0	\$436,406,297	\$436,406,297	100.0%	
BUSINESS ENTERPRISES OF TEXAS (BET) D.1.2	\$0	\$1,749,362	\$1,749,362	100.0%	
BUSN ENTERPRISES OF TEX TRUST FUND D.1.3	\$0	\$0	\$0	0.0%	
PROGRAM SUPPORT - VOCATIONAL REHAB D.2.1	\$0	\$35,592,745	\$35,592,745	100.0%	
PROGRAM SUPPORT - OTHER D.2.2	\$0	\$29,656,724	\$29,656,724	100.0%	
Total, Goal D, PERSONS WITH DISABILITIES	\$0	\$503,405,128	\$503,405,128	100.0%	
DISABILITY DETERMINATION SVCS (DDS) E.1.1	\$0	\$234,403,712	\$234,403,712	100.0%	
Total, Goal E, DISABILITY DETERMINATION	\$0	\$234,403,712	\$234,403,712	100.0%	
Grand Total, All Strategies	\$1,981,841,461	\$2,667,850,867	\$686,009,406	34.6%	Recommendations increase Federal Funds by approximately \$686 million due to the addition of \$737,808,840 in federal grants related to the transfer of the Vocational Rehabilitation, Business Enterprises of Texas, and Disability Determination Services program from the Department of Assistive and Rehabilitative Services (DARS), offset by a decrease of \$51,799,434 from an anticipated reduction in federal grants for workforce grants.
					The recommendations reflect a decrease of \$70.2 million in workforce grants that are no longer anticipated to be available: - \$17,253,304 Unemployment Insurance - \$305,217 Senior Community Service Employment Program - \$10,501,467 Trade Adjustment Assistance Workers - \$1,139,639 WIA - Adult - \$23,807 Employment & Training Administration Pilots - \$2,230,834 WIA Incentive Grants - \$210,005 Work Opportunity Tax Credits - \$154,316 Temporary Labor Certification for Foreign Workers - \$8,155,549 WIA National Emergency Grants - \$6,300,977 WIA Dislocated Worker Formula Grants - \$343,385 WIA Dislocated Worker National Reserve Grants - \$2,878,505 Child Care Mandatory & Matching Funds of the CCDF

Section 2

Texas Workforce Commission  
Summary of Recommendations - Senate, By Method of Finance -- FEDERAL FUNDS

Strategy/Goal	2014-15 Base	2016-17 Recommended	Biennial Change	% Change	Comments
					The recommendations reflect an increase of \$18.4 million in workforce grants: - \$891,374 State Admin Matching Grant for SNAP - \$109,809 Fair Housing Assistance Program - \$279,338 Labor Force Statistics - \$1,012,829 Employment Services - \$1,915,508 WIA - Youth - \$145,501 Employment Discrimination - \$169,596 Temporary Assistance for Needy Families - \$13,827,007 Child Care and Development Block Grant
					The recommendations reflect an increase of \$737.8 million in federal grants transferred from the Department of Assistive and Rehabilitative Services: - \$85,111,012 Rehabilitation Services Vocational - \$370,335,744 Vocational Rehabilitation Grants to States - \$3,954,330 Supported Employment Svcs for Individuals w/Severe Disabilities - \$450,000 Developmental Disabilities Basic Support & Advocacy Grants - \$34,404,551 Social Security Vocational Rehabilitation Reimbursement - \$243,553,203 Social Security Disability Insurance

Section 2

Texas Workforce Commission					
Summary of Recommendations - Senate, By Method of Finance -- OTHER FUNDS					
Strategy/Goal	2014-15 Base	2016-17 Recommended	Biennial Change	% Change	Comments
WORKFORCE INVESTMENT ACT A.1.1	\$0	\$0	\$0	0.0%	
WORKFORCE INVESTMENT ACT - YOUTH A.1.2	\$0	\$0	\$0	0.0%	
TANF CHOICES A.1.3	\$5,608,957	\$0	(\$5,608,957)	(100.0%)	
EMPLOYMENT AND COMMUNITY SERVICES A.1.4	\$836,366	\$1,210,769	\$374,403	44.8%	
SNAP E & T A.1.5	\$0	\$0	\$0	0.0%	
TRADE AFFECTED WORKERS A.1.6	\$0	\$0	\$0	0.0%	
SENIOR EMPLOYMENT SERVICES A.1.7	\$0	\$0	\$0	0.0%	
APPRENTICESHIP A.1.8	\$0	\$0	\$0	0.0%	
ADULT EDUCATION AND FAMILY LITERACY A.1.9	\$0	\$0	\$0	0.0%	
SKILLS DEVELOPMENT A.2.1	\$0	\$0	\$0	0.0%	
SELF SUFFICIENCY A.2.2	\$0	\$0	\$0	0.0%	
LABOR MARKET AND CAREER INFORMATION A.2.3	\$373,240	\$350,447	(\$22,793)	(6.1%)	
WORK OPPORTUNITY TAX CREDIT A.2.4	\$0	\$0	\$0	0.0%	
FOREIGN LABOR CERTIFICATION A.2.5	\$0	\$0	\$0	0.0%	
TANF CHOICES CHILD CARE A.3.1	\$0	\$0	\$0	0.0%	
AT-RISK & TRANSITIONAL CHILD CARE A.3.2	\$2,700,000	\$2,400,000	(\$300,000)	(11.1%)	
CHILD CARE ADMINISTRATION A.3.3	\$0	\$0	\$0	0.0%	
CHILD CARE - DFPS FAMILIES A.3.4	\$104,893,188	\$104,893,188	\$0	0.0%	
UNEMPLOYMENT CLAIMS A.4.1	\$110,844	\$237,958	\$127,114	114.7%	
UNEMPLOYMENT APPEALS A.4.2	\$10	\$0	(\$10)	(100.0%)	
UNEMPLOYMENT TAX COLLECTION A.4.3	\$0	\$0	\$0	0.0%	
<b>Total, Goal A, WORKFORCE DEVELOPMENT</b>	<b>\$114,522,605</b>	<b>\$109,092,362</b>	<b>(\$5,430,243)</b>	<b>(4.7%)</b>	
SUBRECIPIENT MONITORING B.1.1	\$0	\$0	\$0	0.0%	
TECHNICAL ASSISTANCE B.1.2	\$11,910	\$0	(\$11,910)	(100.0%)	
LABOR LAW INSPECTIONS B.1.3	\$0	\$0	\$0	0.0%	
CAREER SCHOOLS & COLLEGES B.1.4	\$0	\$0	\$0	0.0%	
CIVIL RIGHTS B.2.1	\$203,364	\$201,492	(\$1,872)	(0.9%)	
<b>Total, Goal B, PROGRAM ACCOUNTABILITY/ENFORCEMENT</b>	<b>\$215,274</b>	<b>\$201,492</b>	<b>(\$13,782)</b>	<b>(6.4%)</b>	
CENTRAL ADMINISTRATION C.1.1	\$42,089	\$34,330	(\$7,759)	(18.4%)	
INFORMATION RESOURCES C.1.2	\$19,231	\$13,891	(\$5,340)	(27.8%)	
OTHER SUPPORT SERVICES C.1.3	\$293,258	\$229,872	(\$63,386)	(21.6%)	

Section 2

Texas Workforce Commission  
Summary of Recommendations - Senate, By Method of Finance -- OTHER FUNDS

Strategy/Goal	2014-15 Base	2016-17 Recommended	Biennial Change	% Change	Comments
Total, Goal C, INDIRECT ADMINISTRATION	\$354,578	\$278,093	(\$76,485)	(21.6%)	
VOCATIONAL REHABILITATION D.1.1	\$0	\$1,349,980	\$1,349,980	100.0%	
BUSINESS ENTERPRISES OF TEXAS (BET) D.1.2	\$0	\$1,826,114	\$1,826,114	100.0%	
BUSN ENTERPRISES OF TEX TRUST FUND D.1.3	\$0	\$0	\$0	0.0%	
PROGRAM SUPPORT - VOCATIONAL REHAB D.2.1	\$0	\$0	\$0	0.0%	
PROGRAM SUPPORT - OTHER D.2.2	\$0	\$0	\$0	0.0%	
Total, Goal D, PERSONS WITH DISABILITIES	\$0	\$3,176,094	\$3,176,094	100.0%	
DISABILITY DETERMINATION SVCS (DDS) E.1.1	\$0	\$0	\$0	0.0%	
Total, Goal E, DISABILITY DETERMINATION	\$0	\$0	\$0	0.0%	
Grand Total, All Strategies	\$115,092,457	\$112,748,041	(\$2,344,416)	(2.0%)	Recommendations include a net decrease of approximately \$2.3 million due to the following:  A decrease in Interagency Contracts by \$5,691,788 due to a decrease in funding from the Office of the Attorney General (OAG) for Non-Custodial Parents participating in the TANF program not currently continuing into fiscal years 2016-17. OAG funding is contingent on the federal Office of Child Support Enforcement's approval for the OAG to use child support performance incentive funding for this purpose. The OAG plans to submit this request in the Spring, but will not hear back until after the session is completed;  An increase in Appropriated Receipts by \$171,278 due to an anticipated increase in Third Party Reimbursements from Local Workforce Development Boards for capital budget projects associated with the repair and rehabilitation of facilities; and  An increase in Other Funds of \$3,176,094 due to the transfer of the Vocational Rehabilitation and Business Enterprises of Texas programs from the Department of Assistive and Rehabilitative Services (DARS). The transfer is contingent upon passage of legislation (see Selected Fiscal and Policy Issue #1).



## Section 3

### Texas Workforce Commission Selected Fiscal and Policy Issues - Senate

1. **Contingency for Department of Assistive and Rehabilitative Services (DARS) Transfer.** Recommendations include a transfer of the Vocational Rehabilitation (VR), Business Enterprises of Texas (BET), and Disability Determination Services (DDS) programs from the Department of Assistive and Rehabilitative Services (DARS) to the Texas Workforce Commission (see Selected Fiscal and Policy Issues #8).
  - Recommendations add Goal D, Rehabilitative Services and Goal E, Disability Determination to the agency's budget structure to incorporate the VR, BET, and DDS program transfers from DARS. Recommendations also transfer all related FTEs, performance measures, and riders (see Rider Highlights #35-45).
  - Appropriations for the transfer total \$855.6 million in All Funds for the biennium, including \$112.4 million in General Revenue, \$2.2 million in General Revenue-Dedicated, \$737.8 million in Federal Funds, and \$3.2 million in Other Funds.
  - Appropriations are contingent upon the passage of legislation during the 84<sup>th</sup> Legislature, Regular Session. If legislation does not pass, the appropriation will revert back to DARS.
2. **Capital Budget.** Recommendations include a net increase of \$674,163 in capital budget authority due to the following:
  - (a) Recommendations decrease capital budget authority by approximately \$1.9 million in All Funds in alignment with the agency's request. This adjustment includes a decrease of \$2,365,115 in Federal Funds, offset by increases of \$43,289 in General Revenue funding, \$285,882 in General Revenue-Dedicated funding, and \$140,100 in Appropriated Receipts funding. This agency has completed the implementation of two Information Technology projects, including the TeleCenter Telecommunications Refresh and the PeopleSoft Financial upgrade. The recommendations also provide \$630,136 in All Funds for the Centralized Account and Payroll/Personnel System (CAPPS) to increase the number of PeopleSoft Licenses (see Rider Highlights #2).
  - (b) Recommendations increase capital budget authority by approximately \$2.2 million in All Funds to reflect costs associated with the agency's PC replacement lease shifting from daily operations to their capital budget rider. This increase in capital budget authority of approximately \$2.2 million in All Funds includes \$51,102 in General Revenue, \$77,116 in General Revenue-Dedicated, and \$2,041,789 in Federal Funds (see Rider Highlights #2).
  - (c) Recommendations increase capital budget authority by \$400,000 in All Funds to reflect the transfer of the Business Enterprises of Texas program from the Department of Assistive and Rehabilitative Services contingent upon passage of legislation (see Selected Fiscal and Policy Issue #1). This transfer includes \$400,000 in Federal Funds for the Establishing/Refurbishing Food Service Facilities project to purchase and repair food service and vending facilities that provide employment opportunities for licensed managers in the Business Enterprises of Texas program (see Rider Highlights #2).

## Section 3

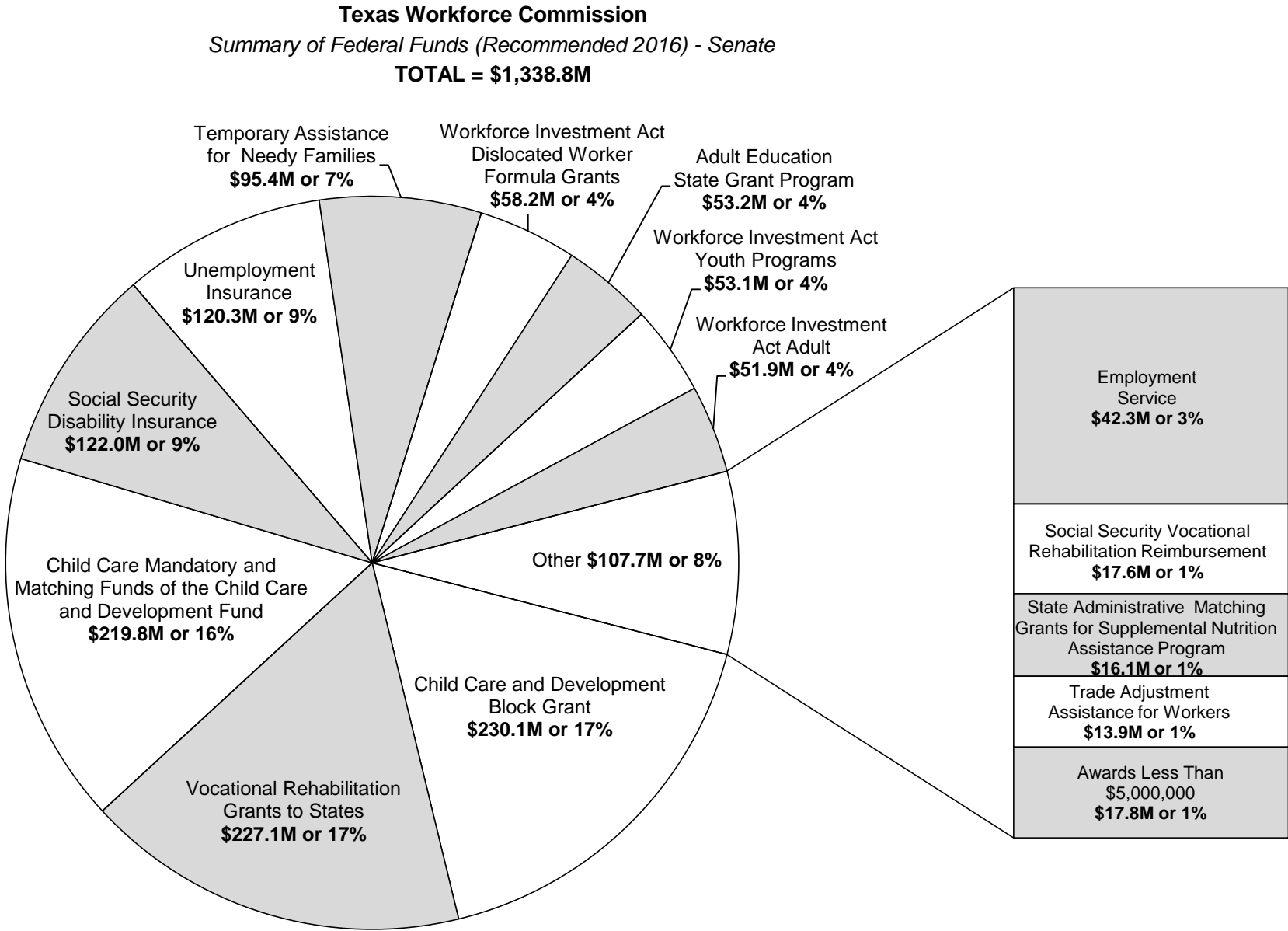
3. **Full-time Equivalent Positions (FTE).** Recommendations provide for 5,550.1 FTEs in fiscal year 2016 and 5,453.7 FTEs in fiscal year 2017. The increase of approximately 2,494 FTEs from the 2014-15 biennium is due to the following:
  - Decrease of 122 FTEs in the Unemployment Insurance Division due to the falling unemployment rates;
  - Decrease of 52 FTEs associated with internal processes to manage long-term fluctuations in federal grants and potential reductions in funding; and
  - Increase of 2,668 FTEs related to the transfer of the Vocational Rehabilitation, Business Enterprises of Texas, and Disability Determination Services programs from the Department of Assistive and Rehabilitative Services contingent upon passage of legislation (see Selected Fiscal and Policy Issue #1).
4. **Workforce Employment and Training Activities.** In alignment with the agency's request, recommendations include \$3.0 million from the General Revenue-Dedicated Employment and Training Investment Assessment (ETIA) Holding Fund that was previously authorized through Article IX, Section 18.13 contingency for House Bill 939, 83<sup>rd</sup> Legislature, for the purposes of workforce development. According to the agency, this appropriation would continue to be used to provide grants to local community colleges to target specific workforce needs in their area (see Rider Highlights #33).
5. **Child Care Performance Measures.** Recommendations maintain performance measure targets related to child care for both the average number of children served and the average cost of each child served constant at fiscal year 2015 levels. The agency requested to increase targets for the average cost measures and average number of children served by TANF Choices and decrease targets for the average number of children served by At-Risk & Transitional. Child care rates are set by the Commission determining a lump sum allocation along with a performance target for number of children served for each local workforce board. With these parameters, the local boards work with child care service providers to reimburse services rendered at a rate not to exceed a set maximum rate. This maximum rate is determined by the local workforce board, in alignment with the Market Rate Survey provided by the agency. The final rates set by the local boards affect all children served, including those children paid for by the Department of Family and Protective Services. These recommendations impact both the TANF Choices Child Care (A.3.1.) and At-Risk & Transitional Child Care (A.3.2.) strategies (see Performance Measure Highlights and Items not Included in Recommendations #5).
6. **TANF MOE Funding.** Recommendations include a Method of Finance (MOF) swap for TANF Maintenance of Effort (MOE) funding, in alignment with the agency's request. The \$2.0 million in TANF MOE that was previously funded in Strategy A.1.9. Adult Education and Family Literacy has been reallocated to Strategy A.1.3. TANF Choices and replaced with regular TANF funding reallocated from Strategy A.1.3. This MOF swap does not impact the overall funding level of either strategy and is allowable under federal guidelines.
7. **Contingency for House Bill 5.** Recommendations remove the one-time transfer of \$500,000 in General Revenue each fiscal year from the Texas Workforce Commission (TWC) to the Texas Education Agency (TEA). Under provisions of House Bill 5, 83<sup>rd</sup> Legislature, Regular Session, 2013 (Article IX, Section 18.05) the TWC was required to transfer funding to TEA from Strategy A.2.1. Skills Development for subsidies for certification examinations. Recommendations do not continue this transfer in fiscal years 2016-17. Funding will remain at TWC and will be used for Skills

## Section 3

Development grants.

8. **Sunset Review.** The agency is currently undergoing Sunset review. Sunset staff recommendations include realigning the Civil Rights Division to increase accountability and streamline functions, providing better career school performance information, focusing on the Child Care Program's employment goals and quality care for children, increasing consistency and transparency in TWC's appeals process, and gaining authority to use federal offsets to recover Unemployment Compensation debt. Sunset recommendations also include transferring the Vocational Rehabilitation, Business Enterprises of Texas, and Disability Determination Services programs from the Department of Assistive and Rehabilitative Services to TWC (see Selected Fiscal and Policy Issue #1).

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Note: Percentages sum greater/less than actual totals due to rounding.

Section 3

Texas Workforce Commission Significant Federal Funds Changes - Senate					
CFDA No.	Program Name	2014-15 Base	2016-17 Recommended	Recommended Over/(Under) Base	Comments
10.561.000	State Administrative Matching Grants for Supplemental Nutrition Assistance Program	\$31,360,124	\$32,251,498	\$891,374	
14.401.000	Fair Housing Assistance Program_State and	\$2,118,183	\$2,227,992	\$109,809	
17.002.000	Labor Force Statistics	\$5,875,036	\$6,154,374	\$279,338	
17.207.000	Employment Service	\$82,311,996	\$83,324,825	\$1,012,829	
17.225.000	Unemployment Insurance	\$249,700,624	\$232,447,320	(\$17,253,304)	
17.235.000	Senior Community Service Employment Program	\$9,898,467	\$9,593,250	(\$305,217)	
17.245.000	Trade Adjustment Assistance for Workers	\$38,157,004	\$27,655,537	(\$10,501,467)	
17.258.000	Workforce Investment Act - Adult	\$104,332,547	\$103,192,908	(\$1,139,639)	
17.259.000	Workforce Investment Act Youth Programs	\$104,109,355	\$106,024,863	\$1,915,508	
17.261.000	Employment & Training Admin Pilots, Demonstrations & Research Projects	\$23,807	\$0	(\$23,807)	
17.267.000	Workforce Investment Act Incentive Grants	\$2,230,834	\$0	(\$2,230,834)	
17.271.000	Work Opportunity Tax Credit Program (WOTC)	\$2,029,078	\$1,819,073	(\$210,005)	
17.273.000	Temporary Labor Certification for Foreign Workers	\$1,307,039	\$1,152,723	(\$154,316)	
17.277.000	Workforce Investment Act National Emergency Grants	\$17,178,967	\$9,023,418	(\$8,155,549)	
17.278.000	Workforce Investment Act Dislocated Worker Formula Grants	\$122,927,997	\$116,627,020	(\$6,300,977)	
17.280.000	Workforce Investment Act Dislocated Worker National Reserve Demonstration Grants	\$343,385	\$0	(\$343,385)	
30.002.000	Employment Discrimination_State and Local	\$815,573	\$961,074	\$145,501	
84.002.000	Adult Education State Grant Program	\$127,561,157	\$106,907,766	(\$20,653,391)	
84.126.000	Vocational Rehabilitation Services	\$0	\$85,111,012	\$85,111,012	
84.126.001	Vocational Rehabilitation Grants to States	\$0	\$370,335,744	\$370,335,744	
84.187.000	Supported Employment Services for Individuals with Severe Disabilities	\$0	\$3,954,330	\$3,954,330	

93.558.000	Temporary Assistance for Needy Families	\$186,719,446	\$186,889,042	\$169,596
93.575.000	Child Care and Development Block Grant	\$446,274,079	\$460,101,086	\$13,827,007
93.596.000	Child Care Mandatory and Matching Funds of the Child Care and Development Fund	\$442,566,763	\$439,688,258	(\$2,878,505)
93.630.000	Developmental Disabilities Basic Support and Advocacy Grants	\$0	\$450,000	\$450,000
96.000.003	Social Security Vocational Rehabilitation Reimbursement	\$0	\$34,404,551	\$34,404,551
96.001.000	Social Security Disability Insurance	\$0	\$243,553,203	\$243,553,203

Section 3

Texas Workforce Commission  
FTE Highlights - Senate

Full-Time-Equivalent Positions	Expended 2013	Estimated 2014	Budgeted 2015	Recommended 2016	Recommended 2017
Cap	3,312.3	3,153.1	3,017.4	5,550.1	5,453.7
Actual/Budgeted	3,357.0	2,960.0	2,959.8	NA	NA
Schedule of Exempt Positions (Cap)					
Commissioner, Group 6*	\$135,000	\$150,000	\$150,000	\$150,000	\$150,000
Commissioner (2), Group 5*	\$135,000	\$150,000	\$150,000	\$150,000	\$150,000
Executive Director, Group 5*	\$154,000	\$165,919	\$165,919	\$165,919	\$165,919

\*The agency is not requesting any changes to its Exempt Positions.

Note: Recommendations provide for 5,550.1 FTEs in fiscal year 2016 and 5,453.7 FTEs in fiscal year 2017. The increase of approximately 2,494 FTEs from the 2014-15 biennium is due to the following:

- Decrease of 122 FTEs in the Unemployment Insurance Division due to the falling unemployment rates;
- Decrease of 52 FTEs associated with internal processes to manage long-term fluctuations in federal grants and potential reductions in funding; and
- Increase of 2,668 FTEs related to the transfer of the Vocational Rehabilitation, Business Enterprises of Texas, and Disability Determination Services programs from the Department of Assistive and Rehabilitative Services contingent upon passage legislation.

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**Texas Workforce Commission  
Performance Measure Highlights - Senate**

	Expended 2013	Estimated 2014	Budgeted 2015	Recommended 2016	Recommended 2017
<ul style="list-style-type: none"><li>Number of Adult Education Customers Served</li></ul> <p>The Adult Education and Literacy (AEL) program transitioned to the Texas Workforce Commission from the Texas Education Agency in 2014. The agency reports that they have negotiated increased customer targets with their service providers and therefore assume an increase in AEL participation as the new capacity enhancement efforts come online.</p>	NA	80,000	100,500	101,000	101,500
<ul style="list-style-type: none"><li>Contracted Number of Self-Sufficiency Trainees</li></ul> <p>The agency reports that demand for Self-Sufficiency training typically drops during a recession and as the state's economy continues to improve, the agency anticipates that demand for this program will increase to pre-recession performance levels.</p>	445	806	1,115	1,178	1,179
<ul style="list-style-type: none"><li>Average Number of Children Served Per Day, TANF Choices Services</li></ul>	6,851	5,462	5,336	5,336	5,336
<ul style="list-style-type: none"><li>Average Cost per Child per Day for Child Care, TANF Choices Services</li></ul>	21.9	22.3	23.9	23.9	23.9
<ul style="list-style-type: none"><li>Average Number of Children Served Per Day, Transitional and At-Risk Services</li></ul>	95,948	96,700	93,459	93,459	93,459
<ul style="list-style-type: none"><li>Average Cost per Child per Day for Child Care, Transitional and At-Risk Services</li></ul> <p>Recommendations for fiscal years 2016 and 2017 maintain performance targets at fiscal year 2015 levels (see Selected Fiscal and Policy Issues #5).</p>	16.7	17.0	18.3	18.3	18.3



Section 4

Texas Workforce Commission  
Performance Review and Policy Report Highlights - Senate

Reports & Recommendations	Savings/ (Cost)	Gain/ (Loss)	Fund Type	Included in Introduced Bill	Action Required During Session
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NO RELATED RECOMMENDATIONS

## Section 5

### Texas Workforce Commission Rider Highlights - Senate

#### Deleted Riders (original number)

18. **Additional Federal Funds.** Provisions governing the expenditure of federal funds above amounts estimated in the agency's bill pattern are covered under Article IX, Section 13.02, Report of Additional Funding

#### Modified Riders

2. **Capital Budget.** Recommendations amend this rider and reflect changes to capital budget authority for the following: (1) a decrease of approximately \$2.5 million in All Funds for the completion of two Information Technology projects; (2) an increase of \$630,136 for the Centralized Account and Payroll/Personnel System (CAPPS); (3) an increase of approximately \$2.2 million in All Funds to reflect costs associated with the agency's PC replacement lease shifting from daily operations to their capital budget rider; and (4) an increase of \$400,000 for the addition of the Business Enterprises of Texas capital budget project related to the transfer of the program from the Department of Assistive and Rehabilitative Services (see Selected Fiscal and Policy Issues #2).
23. **Local Matching Funds.** Recommendations amend this rider to increase the local matching funds provided by local workforce areas used to draw down Child Care Matching Federal Funds, in alignment with the agency's request. The agency anticipates a less favorable Federal Medicaid Assistance Percentage (FMAP) rate in the 2016-17 biennium, which results in a higher match requirement for the agency. TWC typically meets this match requirement through: 1) statewide appropriations going towards pre-kindergarten programs; 2) General Revenue; and 3) the local match funding provided through this rider. The agency currently cannot increase the match level from pre-kindergarten programs and has chosen not to allocate additional General Revenue for this purpose, and instead is asking the local workforce areas to make up the projected difference.
31. **Adult Education.** Senate Bill 307, 83<sup>rd</sup> Legislature, Regular Session, transferred the adult education and literacy programs from the Texas Education Agency to the Texas Workforce Commission, including funding and all applicable performance measures and riders. Recommendations amend this rider to include updates on the funding structure of Strategy A.1.9. Adult Education and Family Literacy. Recommendations do not include agency request to remove references to the Texas Labor Code that have been adopted into agency rule (see Selected Fiscal and Policy Issues #6).

#### New Riders

33. **Workforce Employment and Training Activities.** Recommendations add a rider and include \$3.0 million from the General Revenue-Dedicated Employment and Training Investment Assessment (ETIA) Holding Fund that was previously authorized through Article IX, Section 18.13 contingency for House Bill 939, 83<sup>rd</sup> Legislature, for the purposes of workforce development, in alignment with the agency's request (see Selected

## Section 5

Fiscal and Policy Issues #4).

34. **Sunset Contingency.** The agency is currently undergoing Sunset Review. Rider adds a contingency provision for the agency's upcoming Sunset Review (see Selected Fiscal and Policy Issues #8).

### New Riders Related to DARS Transfer

35. **Reimbursements of Advisory Committee Members.** Rider adds provisions for the reimbursement of advisory committees added to the agency with the transfer of programs from the Department of Assistive and Rehabilitative Services (see Selected Fiscal and Policy Issues #1).
36. **Notification of Federal Funds Distribution.** Rider adds notification requirements related to the use of General Revenue funds used to obtain additional Federal Funds for the Vocational Rehabilitation program transferred to the agency from the Department of Assistive and Rehabilitative Services (see Selected Fiscal and Policy Issues #1).
37. **Vocational Rehabilitation Reporting Requirements.** Rider adds reporting requirements related to the use of federal Vocational Rehabilitation grant funding added to the agency with the transfer of programs from the Department of Assistive and Rehabilitative Services (see Selected Fiscal and Policy Issues #1).
38. **Vocational Rehabilitation Maintenance of Effort (MOE) and Matching Funds Reporting Requirements.** Rider adds reporting requirements related to the Maintenance of Effort for Vocational Rehabilitation grant funding added to the agency with the transfer of programs from the Department of Assistive and Rehabilitative Services (see Selected Fiscal and Policy Issues #1).
39. **Appropriation: GR-Dedicated Business Enterprise Program Trust Fund Account No. 5043.** Rider adds provisions for Business Enterprises Program Trust Fund Account appropriations added to the agency with the transfer of programs from the Department of Assistive and Rehabilitative Services (see Selected Fiscal and Policy Issues #1).
40. **Appropriation: Subrogation Receipts.** Rider adds provisions for the appropriation of subrogation collections related to the Vocational Rehabilitation program transferred to the agency from the Department of Assistive and Rehabilitative Services (see Selected Fiscal and Policy Issues #1).
41. **Performance Reporting for the Business Enterprises of Texas Program.** Rider adds reporting requirements related to the Business of Enterprises of Texas program transferred to the agency from the Department of Assistive and Rehabilitative Services (see Selected Fiscal and Policy Issues #1).
42. **Blind Endowment Trust Fund Reporting.** Rider adds reporting requirements related to the Blind Endowment Trust Fund transferred to the agency from the Department of Assistive and Rehabilitative Services (see Selected Fiscal and Policy Issues #1).

## Section 5

43. **Language Interpreter Services.** Rider adds provisions for the compensation of language interpreter services for functions added to the agency from the transfer of programs from the Department of Assistive and Rehabilitative Services (see Selected Fiscal and Policy Issues #1).
44. **Department of Assistive and Rehabilitative Services Partnership.** Rider adds provisions for an interagency agreement with the Department of Assistive and Rehabilitative Services (DARS) related to the transfer of programs from DARS to the Texas Workforce Commission (see Selected Fiscal and Policy Issues #1).
45. **Contingency for the Department of Assistive and Rehabilitative Services Program Transfer.** Rider adds a contingency provision for the transfer of programs from the Department of Assistive and Rehabilitative Services based on the passage of related legislation (see Selected Fiscal and Policy Issues #1).

Section 6

Texas Workforce Commission  
Items not Included in Recommendations - Senate

	2016-17 Biennial Total	
	GR & GR-Dedicated	All Funds
<b>Agency Exceptional Items - In Agency Priority Order</b>		
1. General Revenue funding for the agency's Apprenticeship Program. Additional funding would be used to add 0.5 FTEs to the program, raise the contact hour rate from \$2.78 per hour to \$4 per hour, and to increase the number of students served from 4,400 to 6,111.	\$ 3,000,000	\$ 3,000,000
2. General Revenue funding to add a new grant program called Recruit Texas. Request also includes an increase in the Full-Time Equivalent (FTE) cap by 10.0 FTEs each fiscal year. Grant program would assist employer recruitment to Texas through rapid response grants focused on targeted employee skills and training. The 10.0 FTEs include seven Program Specialists, two Administrative Assistants, and one Manager (salaries and wages equal \$970,000 for the biennium).	\$ 10,000,000	\$ 10,000,000
3. General Revenue funding to expand the Adult Education and Literacy program by integrating literacy and numeracy education into current employment skills training. Request includes authority for a new rider to clarify that these funds are to be used for the purposes of the Accelerate TEXAS program.	\$ 20,000,000	\$ 20,000,000
4. Capital budget authority of \$6 million in Federal Funds for the continuation of the agency's Unemployment Insurance IT Improvement Project in fiscal year 2016. Requested authority includes \$4.35 million to complete the Tax Modernization project and \$1.65 million to complete the Improve Benefit User Interface project.	\$ -	\$ -
5. Agency requests revised Child Care performance measure targets to increase the maximum reimbursement rates and to respond to the provisions included in House Bill 376, 83rd Legislature, Regular Session, 2013 related to the Texas Rising Star program (see Selected Fiscal and Policy Issues #5). The requested performance measure targets are included below:	\$ -	\$ -

	HB 1 Introduced	FY 2016 Request	FY 2017 Request
Child Care Performance Measure			
Avg Cost Per Day - Choices	\$23.89	\$24.71	\$25.45
Avg Children per Day - Choices	5,336	5,438	5,546
Avg Cost Per Day - At Risk & Transitional	\$18.29	\$18.91	\$19.45
Ave Children Per Day - At Risk & Transitional	93,459	89,659	87,182

Section 6

Texas Workforce Commission  
Items not Included in Recommendations - Senate

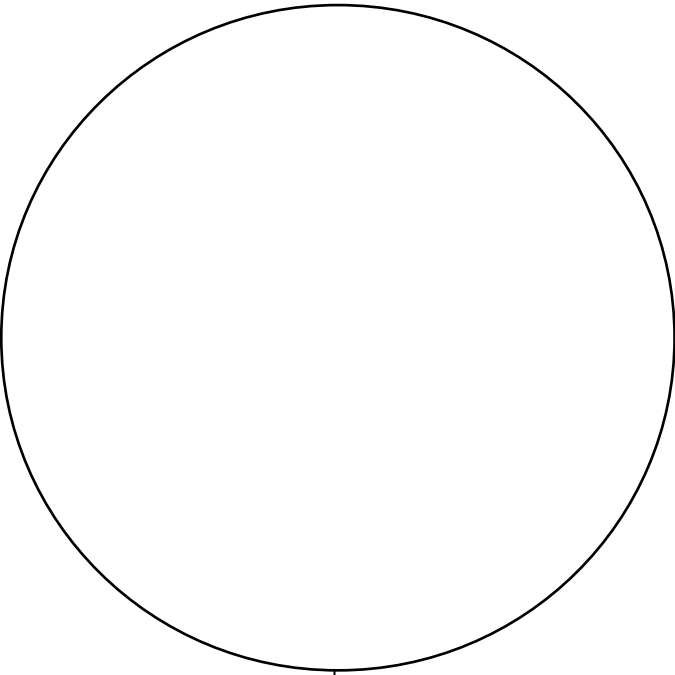
		2016-17 Biennial Total	
		GR & GR-Dedicated	All Funds
6. Agency requests revisions to Rider 31 Adult Education to remove references to requirements in the Texas Labor Code and Texas Administrative Code that have been adopted into agency rule.	\$	-	\$ -
Total, Items Not Included in the Recommendations	\$	33,000,000	\$ 33,000,000

Section 7

Texas Workforce Commission  
Summary of 10 Percent Biennial Base Reduction Options - Senate

Biennial Reduction Amounts								
Priority	Item	Description/Impact	GR and GR-Dedicated	All Funds	FTEs	Potential Revenue Loss	Reduction as % of Program GR/GR-D Total	Included in Intro Bill?
1	Skills Development	This reduction would decrease Skills Development grants for skills training projects, reducing the estimated number of Skills Development trainees by 2,222 over the biennium.	\$4,000,000	\$4,000,000		\$0	7%	No
2	Child Care Matching Funds	This reduction would decrease the General Revenue (GR) funding allocated to local workforce development areas for child care. Due to the Federal Child Care and Development Fund (CCDF) matching requirements, this GR reduction would also result in a corresponding reduction of federal CCDF funds of \$18.4 million. The total reduction of GR and federal funding would decrease the number of At-Risk children receiving subsidized child care by approximately 2,800.	\$9,623,266	\$28,023,266		\$0	11%	No
3	Skills Development	This reduction would decrease Skills Development grants for skills training projects, reducing the estimated number of Skills Development trainees by 2,222 over the biennium.	\$4,000,000	\$4,000,000		\$0	7%	No
4	Child Care Matching Funds	This reduction would decrease the General Revenue (GR) funding allocated to local workforce development areas for child care. Due to the Federal Child Care and Development Fund (CCDF) matching requirements, this GR reduction would also result in a corresponding reduction of federal CCDF funds of \$18.4 million. The total reduction of GR and federal funding would decrease the number of At-Risk children receiving subsidized child care by approximately 2,800.	\$9,623,267	\$28,023,266		\$0	11%	No
TOTAL, 10% Reduction Options			\$27,246,533	\$64,046,532		\$0		

Texas Workforce Commission  
Summary of 10 Percent Biennial Base Reduction Options - Senate  
Agency 10% Reduction Options by Category of Reduction



Programs - Grant/Loan/Pass-through Reductions  
100.0%