

AMERICAN PAYROLL ASSOCIATION

August 31, 2021

Mr. Edward Serna
Executive Director
Texas Workforce Commission
101 E. 15th Street
Austin, TX 78778
edward.serna@twc.state.tx.us

Re: Offer of assistance and concerns regarding enhanced reporting of labor market information, H.B. 3767, Texas Workforce Education and Workforce Alignment Act

Dear Mr. Serna:

The American Payroll Association (APA) requests an opportunity to collaborate with the Texas Workforce Commission concerning H.B. 3767, the Texas Workforce Education and Workforce Alignment Act, which proposes to enhance employers' quarterly wage information reporting. We believe that we can be helpful concerning enhancements that would better inform the labor market information systems without jeopardizing the core purpose of these reports. The APA is concerned about the transition to any new or expanded system and its potential effect on existing employer and state systems.

About the American Payroll Association

The APA is a nonprofit professional association representing more than 20,000 payroll professionals in the United States. APA's primary mission is to educate its members and the payroll industry regarding best practices associated with paying America's workers while complying with applicable federal, state, and local laws. In addition, APA's Government Relations Task Force (GRTF) works with the legislative and executive branches of government to find ways to help employers satisfy their legal obligations, while minimizing the administrative burden on government, employers, and individual workers.

The APA understands and supports the important goal of providing educational and workforce training organizations with better and more timely data on the current status and trends about various occupations in the workforce. H.B. 3767 § 3, which amends the Texas Labor Code to add § 204.0025, states that the intent of the legislature is for the Commission to "work with employers to enhance the reporting of employment and

earnings data by employers to the commission as part of an employer's routine wage filings....” The APA is prepared to assist the Commission, accordingly.

APA members have extensive experience in reporting wage and other payroll information to every state workforce agency across the United States. As such, we know it may be difficult for every employer, especially small businesses, to assign accurate occupation codes to every employee and to maintain them, as well as to collect and track data, such as wages, on individual employees, i.e., those who have engaged in or completed career education and training programs. Yet, without extraordinary attention to these points, any new labor market information data as envisioned in H.B. 3767 could be flawed and misleading.

In addition, APA members are concerned about the mechanics of processing and acceptance of otherwise-valid wage reports. Decisions concerning validation, such as what data conditions might warrant rejection of an employer’s entire wage report, are critical. We also are mindful that the decisions by the Texas Workforce Commission addressing these important questions will set precedent for other states.

The APA would like to share its expertise with you to help improve the state’s labor market information systems and data. Please contact Alice Jacobsohn at 202-669-4001 or ajacobsohn@americanpayroll.org.

Sincerely,



Alice P. Jacobsohn, Esq.
Director, Government Relations

For Cochairs, GRTF State and Local Topics Subcommittee:

Pete Isberg
Carlanna Livingstone, CPP
Bruce Phipps, CPP