

How We Get the Texas We All Deserve

State Workforce Turnover Costs All of Us

Black, brown, or white, every Texan deserves a fair shot at prosperity. We need a fully staffed state government to get there.

As Texans, we value hard work and the prosperity our labor creates for our state, our communities, and most importantly, our families. Texans of every background believe in working with dignity. However, the most powerful elected officials undermine us by putting the interests of wealthy corporations and their friends before the needs of our communities and families. These same officials are starving our state government and workforce of critical funds that support the services directly impacting our lives and families. Together, we can unite and beat Gov. Abbott's agenda that deprives us of the Texas we deserve. Our fight for a fair future starts with our state workforce — our friends, family, and neighbors who diligently work on the public goods and services that benefit us all.

Our valuable state workforce is made up of working people just like you and me.

But our elected officials are intentionally underfunding public services and the state's workforce because they don't want their wealthy friends to pay their fair share of taxes. This means the state government faces historically high staff turnover, which limits our access to public goods and services in many ways. As Texas' population grows, the hole that our greediest elected officials dug to bury all of us will only get deeper. Gov. Abbott has an agenda to give his wealthy and powerful friends tax breaks, passing off the costs to working Texans and our families.

Gov. Abbott's agenda impacts our daily lives

For you and your family, this may look like:

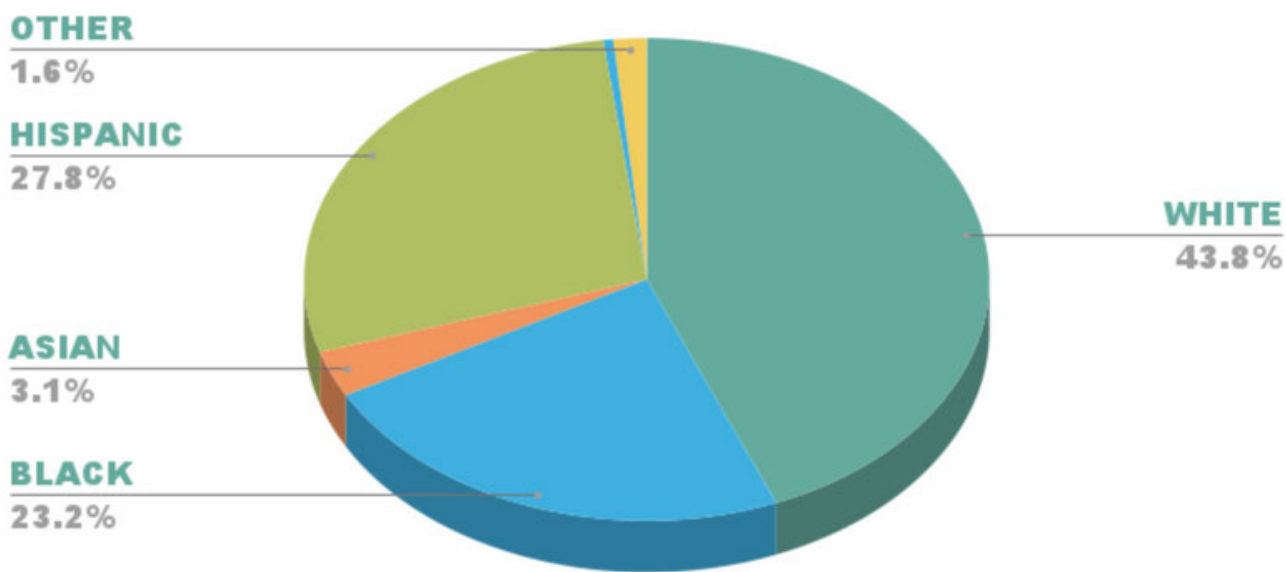
- ✓ the inability to get a driver's license in a timely manner;
- ✓ inefficient food and health care systems that prevent our struggling neighbors and family members in crisis from getting the resources they need and deserve;
- ✓ poor and undignified conditions at state nursing homes where our respected elders live;
- ✓ little or no access to affordable public transportation, limiting job and mobility options;
- ✓ state parks that require you to book a spot months in advance instead of going when you'd like;
- ✓ a family member who works in a state prison or an incarcerated family member housed in a state prison without air conditioning.

How We Get the Texas We All Deserve

State Workforce Turnover Costs All of Us

The state of Texas employed 333,909 full-time equivalents in 2021¹ or approximately 287,250 full-time employees and 81,400 part-time employees.² State agencies employed 144,655 full-time equivalents, and state higher education institutions employed 186,254 full-time equivalents on average in 2021. This report focuses on state agency workforce turnover and other issues that impact everyday Texans and our families.

State Employees by Race



Source: State Employees by Race: Texas Tribune Government Employees Explore, data analysis by Every Texan; 139,704 state employees July 2022.

The state workforce closely represents Texans living in the state: **43.8%** of workers are white, **27.8%** are Hispanic/Latino, **23.2%** are Black, **3.1%** are Asian, and **1.6%** percent identify with another racial group, including Native Americans. According to the U.S. Census, statewide, Texans are **40.3%** white, **40.2%** Hispanic/Latino, **13.2%** Black, **5.5%** Asian, and **1.1%** Native American.

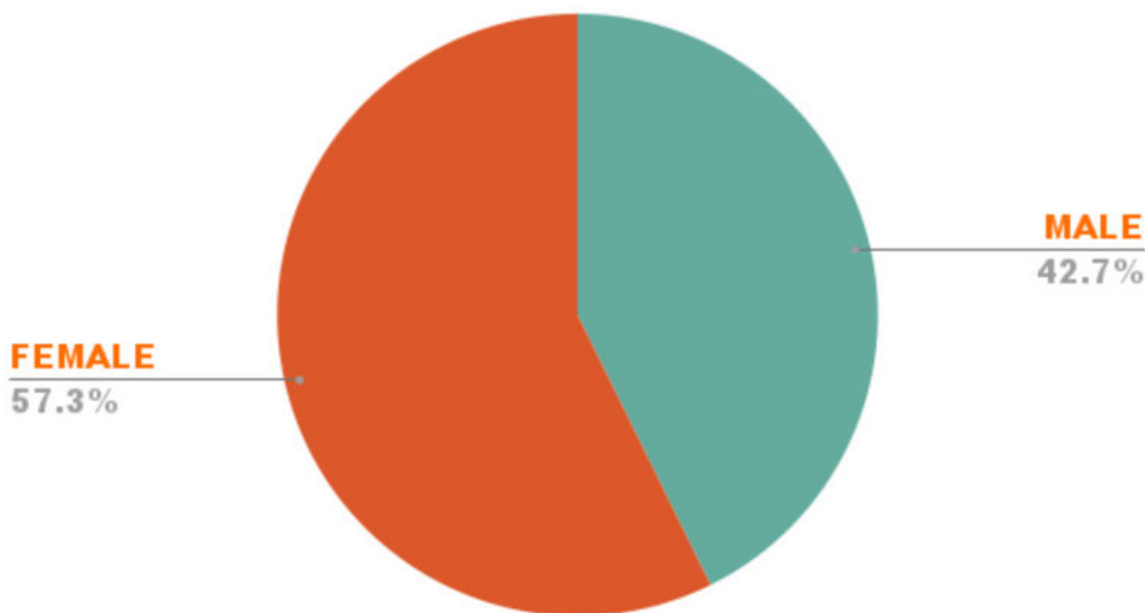
¹ Collier, Lisa. "A Summary Report on State FTEs for Fiscal Year 2021". State Auditor Office. March 2022. <https://sao.texas.gov/reports/main/22-703.pdf#page=8>

² Every Texan analysis of U.S. Census Annual Survey of Public Employment and Payroll (ASPEP) data for 2021 <https://www.census.gov/programs-surveys/apes/data/datasetstables.html>

How We Get the Texas We All Deserve

State Workforce Turnover Costs All of Us

State Employees by Sex



Source: State Employees by Race: Texas Tribune Government Employees Explore, data analysis by Every Texan; 139,704 state employees July 2022.

Compared to statewide demographics, the percentage of women employed by the state government is higher than that of women who live in the state. The U.S. Census shows that **50.1%** of Texans are women,³ while the state workforce is **57.3%** women.

The Texas state workforce faces unprecedented staff turnover – and it costs all of us

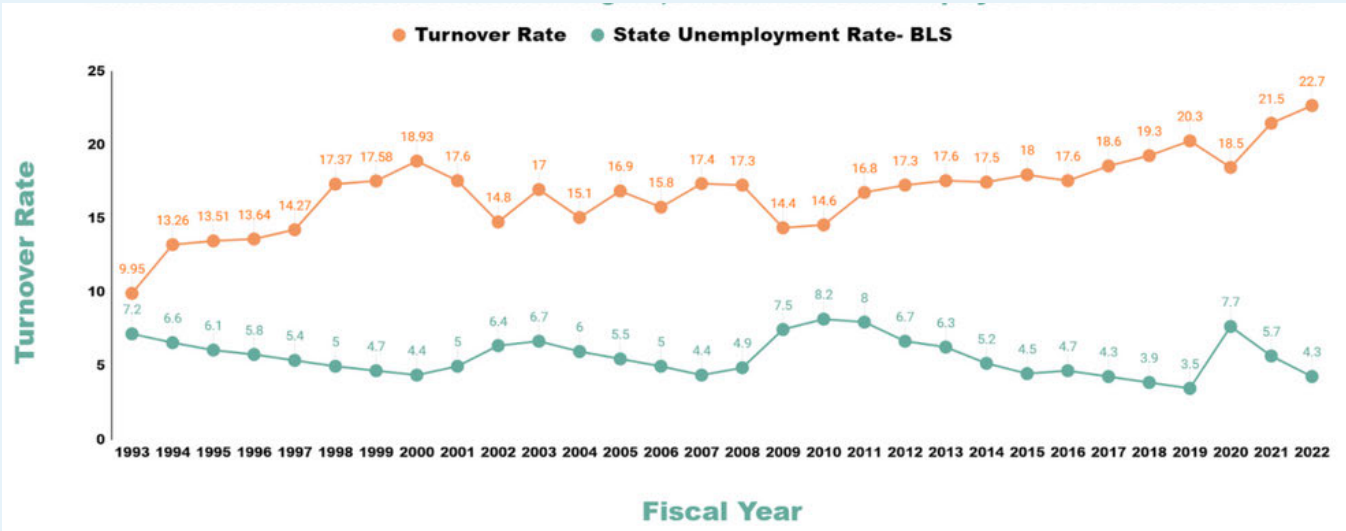
High state employee turnover costs money, but it also costs everyday Texans living and working in our state. Texans, regardless of where we live or what we look like, use our state parks, highways, and museums, in addition to the critical life-saving services that deliver health care access and food security to families across Texas.

³ <https://www.census.gov/quickfacts/TX>

How We Get the Texas We All Deserve

State Workforce Turnover Costs All of Us

Statewide Turnover Rates for Classified Regular, Full- and Part-Time Employees Over the Last 25 Years



Source: Every Texan analysis of Texas State Auditor's Office (SAO) employee turnover reports⁴ and Bureau of Labor Statistics⁵ unemployment state average rates by year.

In 2022, our state workforce turnover rate was the highest it's been in 29 years. The state workforce turnover rate was **9.5%** in 1993 and **22.7%** in 2022, reflecting a **13.2%** increase in turnover overall. Trendwise, as the statewide unemployment rate dips in better economic times, the state workforce attrition rate increases. However, the gap between the state unemployment rate and the state workforce turnover rate has widened over the last 29 years, signaling a growing problem with the state's ability to retain its workforce.

State worker turnover impacts all of us. No matter where we're born, how we worship, or what part of the state is home, all Texans benefit from state services. Whether visiting a state park, receiving emergency assistance, or accessing health care, Texans deserve a state government that delivers timely services, and state workers deserve a dignified workplace. The second edition of this report will show how high state worker turnover negatively impacts Texan families of all backgrounds. One core example is the high number of Texan families awaiting food security assistance. Karla Martinez, Every Texan's health and food justice policy analyst, reported over 198,000 new Supplemental Nutrition Assistance Program (SNAP) applications waiting to be processed at the end of August as a result of local benefits office attrition.⁶

⁴ <https://hr.sao.texas.gov/Reports/Category/Turnover/>

⁵ <https://data.bls.gov/pdq/SurveyOutputServlet>

⁶ <https://everytexan.org/2022/10/21/texans-applying-for-or-renewing-snap-and-medicaid-benefits-are-facing-major-delays/>

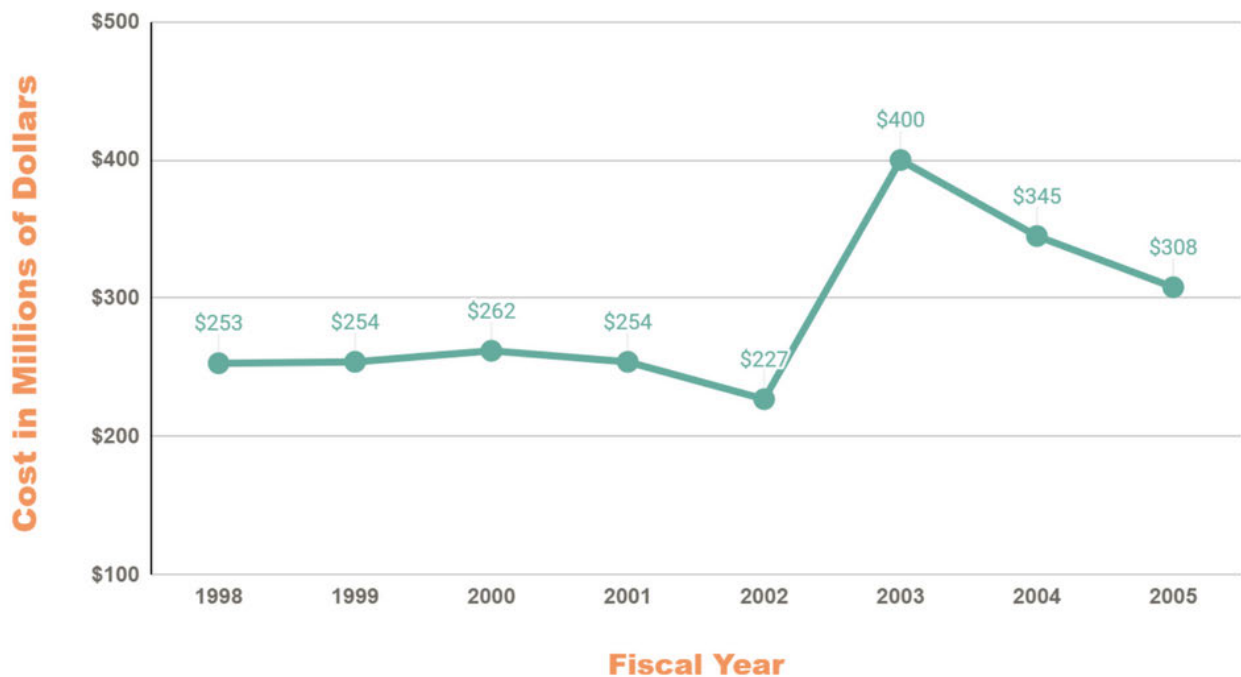
How We Get the Texas We All Deserve

State Workforce Turnover Costs All of Us

How much does state turnover cost us?

The Texas State Auditor's Office (SAO) reports annually on the state's workforce and turnover.⁷ From 1998 until 2005, the SAO tracked how much employee turnover costs the state of Texas. Below is a chart summarizing SAO's calculations by fiscal year:

State Employee Turnover Cost by Fiscal Year



Source: State Auditor Office: Turnover Reports.

High staff turnover costs the state government, which costs us all. A government accountable to its people should monitor how much turnover costs us and proactively fund and implement solutions to reduce those costs. From 1998 through 2005, the Texas SAO used the Department of Labor's (DOL) calculation to estimate the cost of Texas' turnover rate, which at that time was one-third of the departed position salary. The SAO updated the formula in 2004 to one-half of the departed position salary.

⁷ <https://hr.sao.texas.gov/Reports/Category/Turnover/>

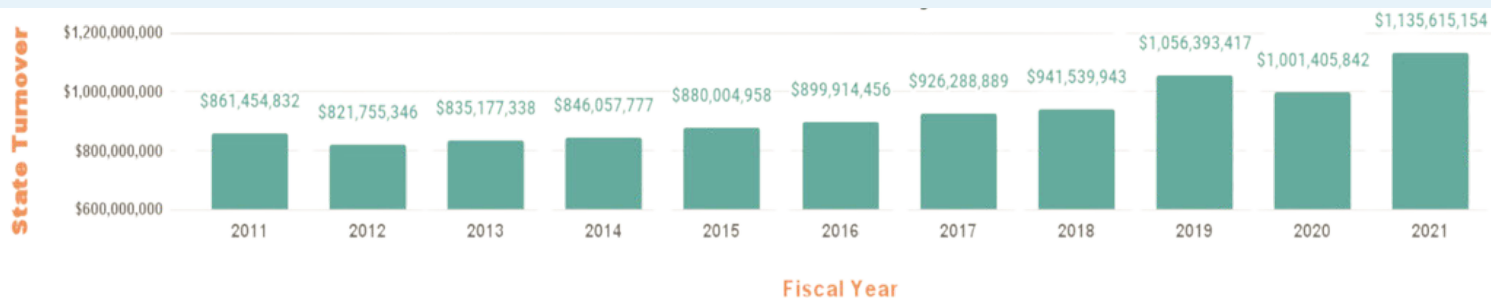
How We Get the Texas We All Deserve

State Workforce Turnover Costs All of Us

The SAO did note that the DOL formula is more conservative and that the private sector shows that the cost to replace an employee is 1 to 1.5 times the worker's annual salary.⁸ *"Significant costs arise from agencies having to recruit, hire, and train new staff. According to a national survey, recruitment efforts to fill a vacant exempt position can cost an employer up to 150% of the terminated employee's salary."*⁹ After 2005, the SAO stopped providing the cost of state workforce attrition in its annual turnover report. In November 2022, an SAO staff member explained to Every Texan that the turnover costs vary greatly by state agency and became too complicated to track.

Using the same methodology as the SAO, Every Texan estimated state workforce turnover costs using full/part-time employment and payroll data for the entire state agency workforce, including positions not classified in the state salary schedule. We pulled state agency payroll data from the U.S. Census Annual Survey of Public Employment and Payroll (ASPEP),¹⁰ then applied the state's turnover cost formula to the state agency payroll data. A conservative estimate in the chart below shows turnover costs for all state agencies by fiscal year based on that year's attrition rate. Our findings show that state turnover costs were approximately \$1.3 billion in 2021.

Texas State Workforce Turnover Estimated Cost by Year with Census Data



The chart below estimates state workforce turnover costs for classified state agency positions only. Taking the average salary of all classified positions and applying the state's turnover cost formula, Every Texan conservatively estimates that state turnover costs approximately \$826,114,426 in 2022 for classified jobs. Again, this estimate only reflects the cost of turnover in classified positions and does not include unclassified positions.

⁸ See <https://sao.texas.gov/Reports/Main/02-701.pdf>: "Using the U.S. Department of Labor's estimate of turnover costs (one-third of an employee's annual salary) would mean the State spent approximately \$254 million in fiscal year 2001 on employee turnover. This is a very conservative estimate. Hewitt Associates, a management consulting firm, estimates that replacing an employee costs 1 to 1.5 times that worker's annual salary. This would equate to a cost of more than \$1.1 billion to the State"

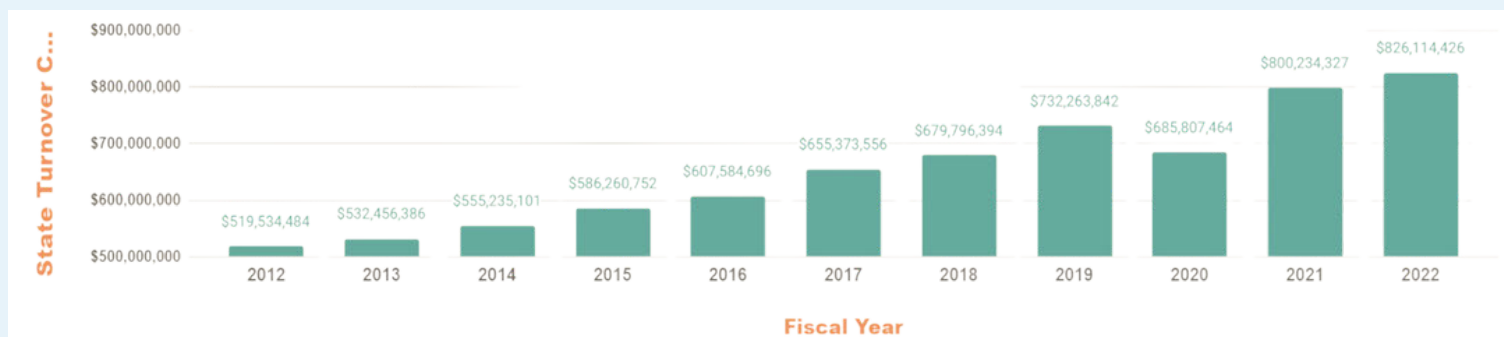
⁹ <https://sao.texas.gov/reports/main/98-703.pdf>

¹⁰ <https://www.census.gov/programs-surveys/apes/about.html>

How We Get the Texas We All Deserve

State Workforce Turnover Costs All of Us

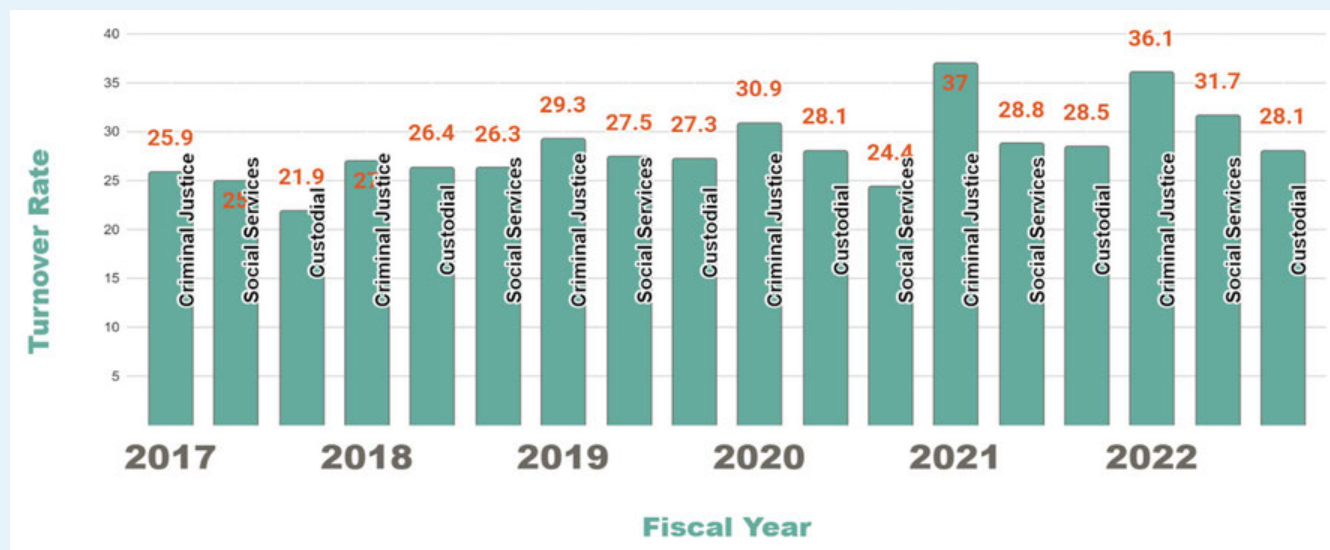
Texas State Workforce Turnover Estimated Cost by Year with State Auditors Office Data



The 2022-2023 Texas state budget enacted in 2021 is approximately \$265 billion.¹¹ The state is losing approximately \$1.3 billion in workforce attrition annually, or roughly \$2.6 billion per biennium (two-year budget cycle).

Every Texan analyzed turnover rates by job category for fiscal years 2017 through 2021, and criminal justice, social services, and custodial occupational categories consistently show turnover rates that exceeded the statewide rate for a given year.

Top 3 Highest Turnover Rates by Occupational Category for FY 2017-2022



Source: Every Texan analysis of SAO turnover reports from 2017 to 2022.

¹¹ https://www.lbb.texas.gov/Documents/GAA/General_Appropriations_Act_2022_2023.pdf

How We Get the Texas We All Deserve

State Workforce Turnover Costs All of Us

The Texas Tribune provides a Government Salaries Explorer tool¹² covering all 112 state agencies, from the governor's office to customer service representatives. The Texas Tribune reports the following information for the departments covering criminal justice and some state social services provided by Texas Health and Human Services Commission (HHSC) and the Department of Family and Protective Services (DFPS). HHSC and DFPS are staffed predominantly by women. The Texas Department of Criminal Justice (TDCJ) staff is **51%** male. The annual median salaries for all three departments are lower than \$47,000.

Department	Health and Human Services Commission	
Total Employees	32858	
Median Salary	Texas Works Adviser	\$40,634
Highest Earner	Executive Commissioner	\$290,258
Lowest Earner	Texas Works Adviser	\$40,364
Gender	72 % female; 27% male	
Race/Ethnicity		
Black	27%	
White	35%	
Hispanic	31%	
Asian	3%	
Native American	<1%	
Other	1%	

¹² <https://salaries.texastribune.org/departments>

How We Get the Texas We All Deserve

State Workforce Turnover Costs All of Us

Department	Texas Department of Criminal Justice	
Total Employees	30,777	
Median Salary	Correctional Officer	\$46,679
Highest Earner	Executive Director	\$275,501
Lowest Earner		\$11,891
Gender	51 % male; 48% female	
Race/Ethnicity		
Black	38%	
White	37%	
Hispanic	19%	
Asian	1%	
Native American	<1 %	

Department	Department of Family and Protective Services	
Total Employees	12003	
Median Salary	Child Protective Services Specialist	\$45,800
Highest Earner	Commissioner	\$235,500
Lowest Earner		\$11,826
Gender	83% female; 16% male	

How We Get the Texas We All Deserve

State Workforce Turnover Costs All of Us

Race/Ethnicity		
Black	31%	
White	34%	
Hispanic	31%	
Asian	1%	
Native American	<1%	
Other	1%	

The root problem: Our state budget doesn't prioritize everyday Texans

The Texas state budget does not prioritize our state's greatest resource, our people. Our most powerful elected officials purposely divide Texans of all backgrounds and set us up to argue with each other for a bigger slice of pie. These same elected officials give away billions of dollars in tax breaks to their friends at the wealthiest corporations. Together, we can demand a bigger pie that feeds everyone, from El Paso to Texarkana. The governor, lieutenant governor, and Speaker of the House have significant influence and control over our state budget. Under current leadership, Texas consistently averages less in per-person spending than the national average.¹³ In fact, Texas ranked nearly last, 46th nationally, in 2020.¹⁴ That same year, Texas also ranked 46th in state taxes per resident.¹⁵

State spending has not kept up with inflation or population growth because, rather than investing in Texas, powerful elected officials prioritize low taxes for wealthy corporations. According to state budget analyst Eva DeLuna Castro, "revenue appropriations to date have fallen to their **lowest real levels in more than a decade**. Even before the recent spike in inflation, the Legislative Budget Board (LBB) had estimated that this two-year General Revenue budget was the **third in a row not to keep pace with population and inflation growth**."¹⁶ The LBB report demonstrates how state government spending has not kept up with population and inflation.

¹³ See, for example, state expenditure reports by the National Association of State Budget Officers, the National Conference of State Legislatures, or the U.S. Census Bureau.

U.S. Census Bureau, Annual Survey of State and Local Government Finances, 2020 Direct General Expenditures by State Government, July 2022, and 2020 state

¹⁴ population estimates as of July 1.

¹⁵ U.S. Census Bureau, 2020 Annual Survey of State Government Tax Collections and July 2020 state population estimates.

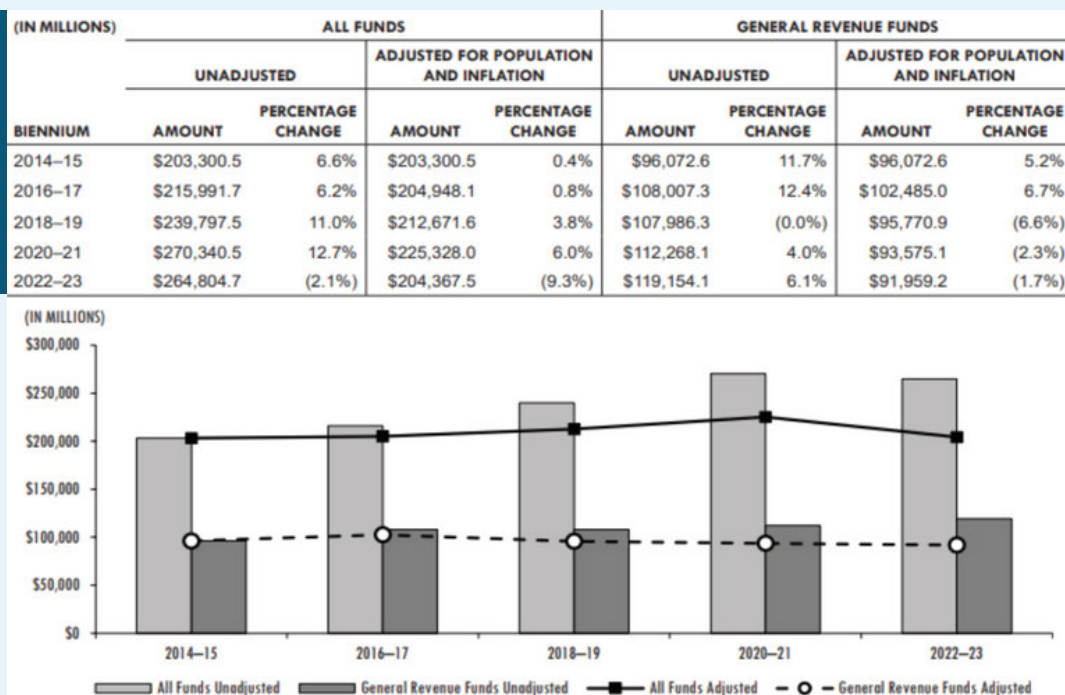
¹⁶ <https://everytexan.org/2022/07/21/state-budget-balance-inflated-by-smoke-and-mirrors-and-unmet-needs/>

How We Get the Texas We All Deserve

State Workforce Turnover Costs All of Us

Trends in State Government Expenditures, 2022-2023 Biennial Appropriations

Source:
Legislative Budget
Board; Comptroller
of Public Accounts



The reality is that the state budget does not have a true surplus. Our most powerful elected officials fail to keep up with the real costs to run a state as large as Texas. The much-touted \$33 billion General Revenue ending balance for the current budget that the Comptroller announced in January 2023, for example, is a confluence of events that will not repeat themselves: post-pandemic economic growth, high crude oil and natural gas prices, inflation at levels not seen in four decades, and federal stimulus dollars.¹⁷ As DeLuna Castro states, “the true condition of the Texas budget is still being masked by one-time federal aid, interim cuts to higher education, smoke and mirrors, and unpaid bills. Unless new revenue sources are explored, continuing to prioritize border spending and new tax cuts for wealthy homeowners and corporations will endanger all of our access to public schools, college, health care, and other state services in the long run.”¹⁸

Taxes fund the public services we all benefit from:

Texas stands on a shaky two-legged stool that unbalances and destabilizes the lives of everyday working Texans. Most states collect revenue through sales, property, and income taxes – firmly standing on a three-legged stool. Texas is one of only eight states that does not have a personal income tax so¹⁹ must rely on local property taxes and state and local sales taxes for more than 80% of all state/local tax support for public services.

17 <https://comptroller.texas.gov/transparency/reports/biennial-revenue-estimate/2024-25/docs/bre-2024-2025.pdf>

18 <https://everytexan.org/2022/07/21/state-budget-balance-inflated-by-smoke-and-mirrors-and-unmet-needs/>

19 <https://www.urban.org/policy-centers/cross-center-initiatives/state-and-local-finance-initiative/projects/state-and-local-backgrounders/individual-income-taxes>

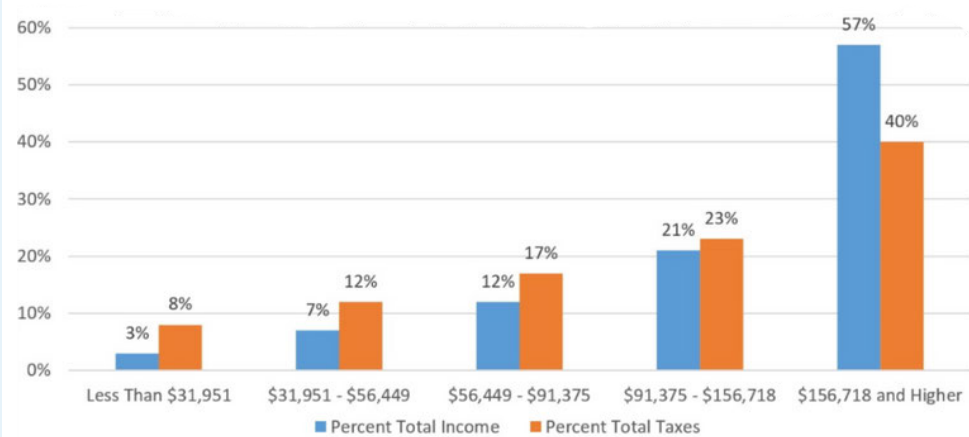
How We Get the Texas We All Deserve

State Workforce Turnover Costs All of Us

As a result, low and middle-income families end up paying higher than their fair share in taxes overall. As a result, low and middle-income families end up paying higher than their fair share in taxes overall.

Top One-Fifth of Texas Households Pay Less than Their Fair Share of Taxes

Our state's tax system is designed to favor the wealthy few and corporations over hard-working Texan families of all backgrounds. Every Texan's senior fiscal analyst, Dick Lavine, explains: "Our state's tax system is upside down, asking the most from those with the least.



Source: Texas Comptroller of Public Accounts, Tax Exemptions & Tax Incidence, 12/20

Our state's tax system is designed to favor the wealthy few and corporations over hard-working Texan families of all backgrounds. Every Texan's senior fiscal analyst, Dick Lavine, explains: "Our state's tax system is upside down, asking the most from those with the least. In Texas, the wealthiest residents pay an average of **4.1%** of their income in state and local taxes, compared to **16.8%** for residents with the lowest incomes.²⁰ The chart below shows that the bottom income earners share **3%** of income but pay **8%** of their income in taxes. The ²¹top income earners receive **57%** share of income but pay only **40%** of taxes. Our state's most powerful elected officials have designed a tax system to attract the wealthiest people and corporations to the state at the expense of Texans who continue to be left behind in state spending.

Working Texan families of all backgrounds would pay less overall taxes if Texas stood upon a firmly planted, three-legged stool. The consequences of an unfair tax system mean that Texas cannot appropriately fund the public services that we all need and deserve — our parks, public schools, libraries, and highways. Vital services suffer at the hands of greedy corporations advancing their interests over those of working families. Our friends, family, and neighbors who work in state government at inadequate salaries also bear the burdens of catering to wealthy corporations and their friends.

²⁰ <https://everytexan.org/2021/01/28/who-pays-texas-taxes/>

²¹ <https://everytexan.org/2021/01/28/who-pays-texas-taxes/>

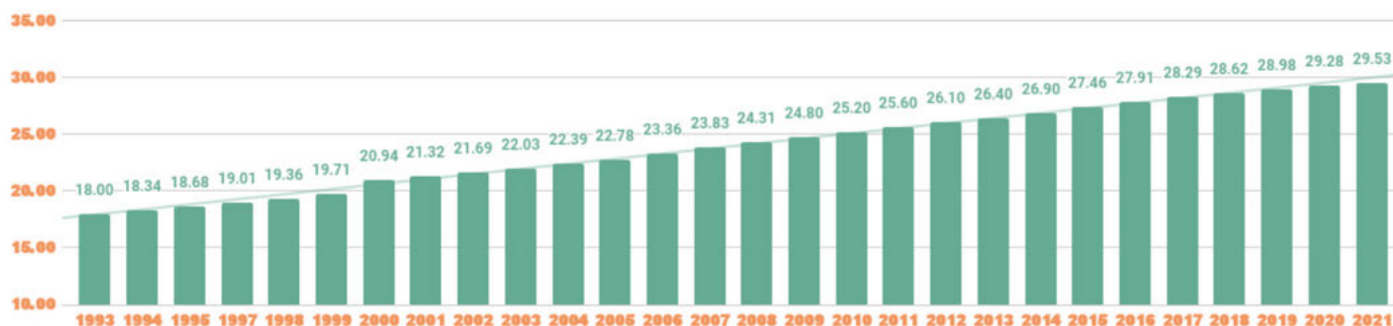
How We Get the Texas We All Deserve

State Workforce Turnover Costs All of Us

How is the state understaffing our most critical public services?

The growth of the population of Texas is a key data point the state government should use to adequately measure agency staffing, to provide the excellent customer service all Texans deserve. The following chart shows the Texas population has steadily grown by **64%** since 1993, going from approximately 18 million people to approximately 29,530,000 million people in 2021. Overall, Gov. Abbott and other powerful elected officials have not increased staffing in proportion to our state's growing population and increasing demand for valuable public services that benefit us all.

Texas Estimated Population by Year (US Census) in Millions



Source: Every Texan analysis of US Census population estimates by year.

The Annual Survey of Public Employment and Payroll (ASPEP)²² surveys state and local governments. Every Texan analyzed ASPEP data on the number of full-time employees by occupational category to understand staffing trends from 1993 through 2021. The two categories, public welfare and social insurance administration, both include services provided by the Texas Health and Human Service Commission (THHSC) and the Department of Family and Protection Services (DFPS).²³ The chart below shows the 27-year staffing trend for vital services for our elderly population, veterans, those experiencing food insecurity, those without health insurance, those receiving unemployment insurance, and more.

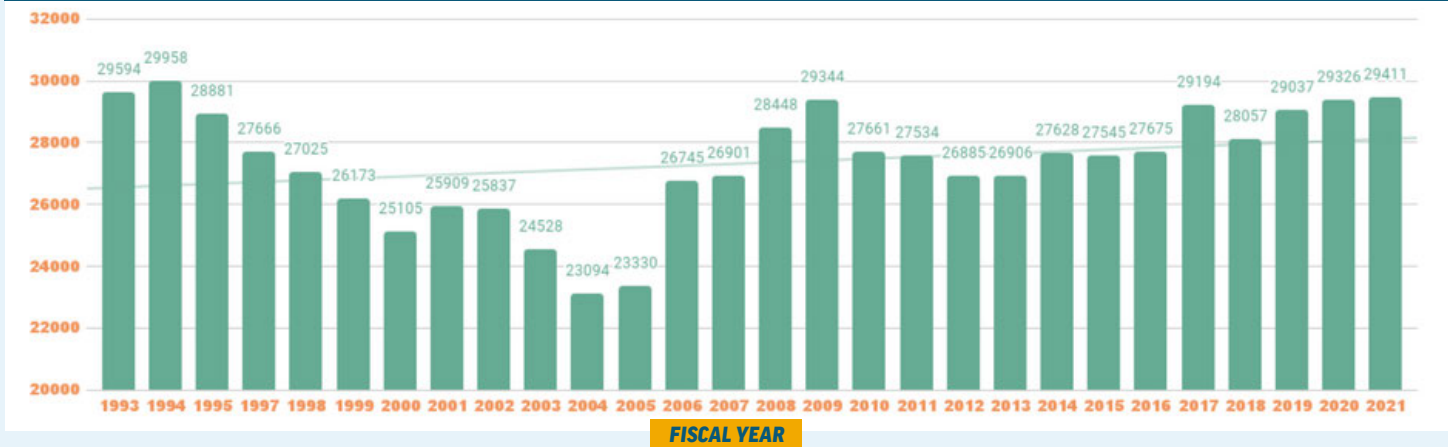
²² <https://www.census.gov/programs-surveys/apes/about.html>

²³ The category is "public welfare" which is defined by ASPEP as "Includes the administration of various public assistance programs for the needy, veteran services, operation of nursing homes, indigent care institutions, and programs that provide payments for medical care, handicap transportation, and other services for the needy". A second ASPEP category is social insurance administration and defined as "Administration of unemployment compensation systems, public employment services, and the Federal Social Security, Medicare, and Railroad Retirement trusts".

How We Get the Texas We All Deserve

State Workforce Turnover Costs All of Us

Number of Full Employees by Fiscal Year: Public Welfare and Social Insurance Administration



Source: Every Texan analysis of US Census population estimates by year.

Overall, the number of state employees fulfilling job duties in the public welfare and social insurance administration occupation categories has not increased in the last 29 years, which is inconsistent with state population growth. In 1993 there were 29,594 full-time employees providing services in the public welfare and social insurance administration compared to 29,411 in 2021.

For the corrections²⁴ category, the state's staffing trend is similar to public welfare systems and social insurance administration. In 1993, 31,596 full-time employees were working in the corrections category; in 2021 there were 35,985 full-time employees.

Texas has one of the highest incarceration rates in the world, at 840 individuals per 100,000 people.²⁵ Of NATO countries, the U.S. has the highest incarceration rate at 644 individuals per 100,000 people, followed by the United Kingdom at a distant 124 individuals per 100,000 people. The Prison Policy Initiative shows in the chart below how much our state's prison incarceration rate has increased since 1978. Black people are imprisoned at disproportionately higher rates than white people, due to existing policies and laws rooted in our state's legacy of slavery and Jim Crow segregation.²⁶ Every Texan does not specialize in criminal justice and encourages Texans to consult the experts in the field for more information (see footnotes on the next page for a list),²⁷ but we raise this matter to show that staffing rates at state correctional facilities have declined while the number of imprisoned individuals in Texas has increased. Consequently, as a result of low staffing, incarcerated people suffer: "Without staffing present, a lot of things aren't getting done at the unit," said Amite Dominick, president of Texas Prisons Community Advocates, a group that advocates for incarcerated people.

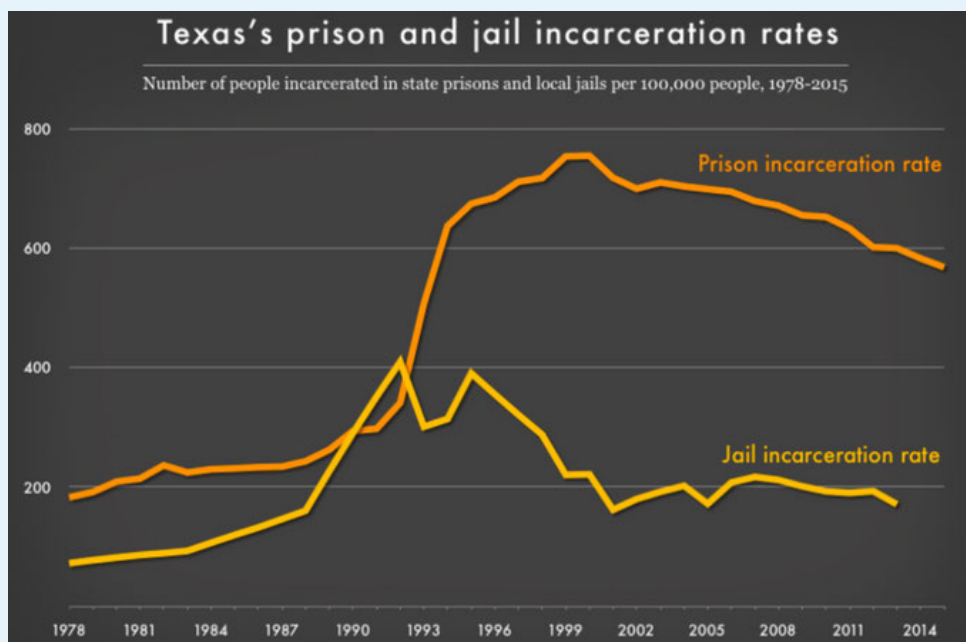
How We Get the Texas We All Deserve

State Workforce Turnover Costs All of Us

“Because of staff shortages, inmates often endure long waits to be taken to showers, meals, medical visits, the commissary, and other appointments.”²⁸

Corrections staff report struggling to meet overtime demands driven by high vacancy and attrition while experiencing stressful work conditions in remote locations with low pay.²⁹

Source: Prison Policy Initiative
<https://www.prisonpolicy.org/profiles/TX.html>



Why are Texans leaving state jobs?

In 2022, Texas experienced the highest employee turnover rate in the past 29 years, according to Every Texan analysis of SAO turnover reports from 1993 through 2022. In 2022, 82% of the overall turnover is attributed to voluntary separations. State workers cite the following reasons for voluntary departure: insufficient pay and benefits, retirement, and pursuit of better working conditions.³⁰ In 2022, there were 26,281 total voluntary separations, 3,969 or 15% of which were due to retirement, and 22,312 or **85% were for reasons relating to pay, benefits, and working conditions.**

The state's employee exit survey shows that of the 5,057 employees who completed the survey, 28.8% left for better pay, 18.7% to retire, and 14.2% due to poor working conditions and environments. When comparing the 2022 exit survey to the 2021 exit survey, **there is a marked increase in the number of exiting employees who reported leaving for better pay, from 19.3% in 2021 to 28.8% in 2022.**

²⁴ The category is “corrections” which is defined by ASPEP as “activities pertaining to the confinement and correction of adults and minors convicted of criminal offenses. Pardon, probation, and parole activities are also included here”.

²⁵ <https://www.prisonpolicy.org/profiles/TX.html>

²⁶ https://www.prisonpolicy.org/graphs/2010percent/TX_Blacks_2010.html

²⁷ Texas Criminal Justice Coalition now Texas Center for Justice and Equity <https://www.texascjc.org/system-impacted-coalitions/>

²⁸ <https://www.pewtrusts.org/en/research-and-analysis/blogs/stateline/2022/09/26/prison-staff-shortages-take-toll-on-guards-incarcerated-people>

²⁹ <https://www.kxan.com/investigations/staff-turnover-in-texas-prisons-has-increased-heres-how-thats-impacting-corrections-officers/>

³⁰ “An Annual Report on Classified Employee Turnover for Fiscal Year 2022”. State Auditor Office. December 2022. <https://sao.texas.gov/Reports/Main/23-703.pdf>, page 6.

How We Get the Texas We All Deserve

State Workforce Turnover Costs All of Us

Reasons Employees Reported in Exit Survey for Leaving Employment at Their State Agency for Fiscal Years 2021 and 2022

Reason for Leaving	Fiscal Year 2021		Fiscal Year 2022	
	Number of Respondents	Percentage of Exit Survey Responses	Number of Respondents	Percentage of Exit Survey Responses
Better Pay/Benefits	730	19.3%	1,455	▲ 28.8%
Retired	918	24.2%	946	▼ 18.7%
Poor Working Conditions/Environment	591	15.6%	716	▼ 14.2%
Issues with My Supervisor/Issues with Employees I Supervise	301	7.9%	393	▼ 7.8%
Personal or Family Health	363	9.6%	352	▼ 7.0%
No or Little Career Advancement Opportunities	193	5.1%	299	▲ 5.9%
Relocation (self, spouse, companion)	176	4.6%	245	▲ 4.8%
Enter/Return to School	152	4.0%	158	▼ 3.1%
Child Care/Elder Care Issues	108	2.8%	108	▼ 2.1%
Inadequate Training	61	1.6%	87	▲ 1.7%
Self-employment	56	1.5%	71	▼ 1.4%
Location/Transportation Issues	53	1.4%	69	● 1.4%
No or Little Opportunities to Work Remotely ^a	N/A	N/A	63	● 1.2%
Relationship with Co-workers	37	1.0%	57	▲ 1.1%
Inadequate Work Resources	51	1.3%	38	▼ 0.8%
Statewide Totals	3,790	100.0% ^b	▲ 5,057	100.0%

^a This is a new reason for leaving that was added in the 2nd quarter of fiscal year 2022.

^b Percentages do not sum to 100.0 due to rounding.

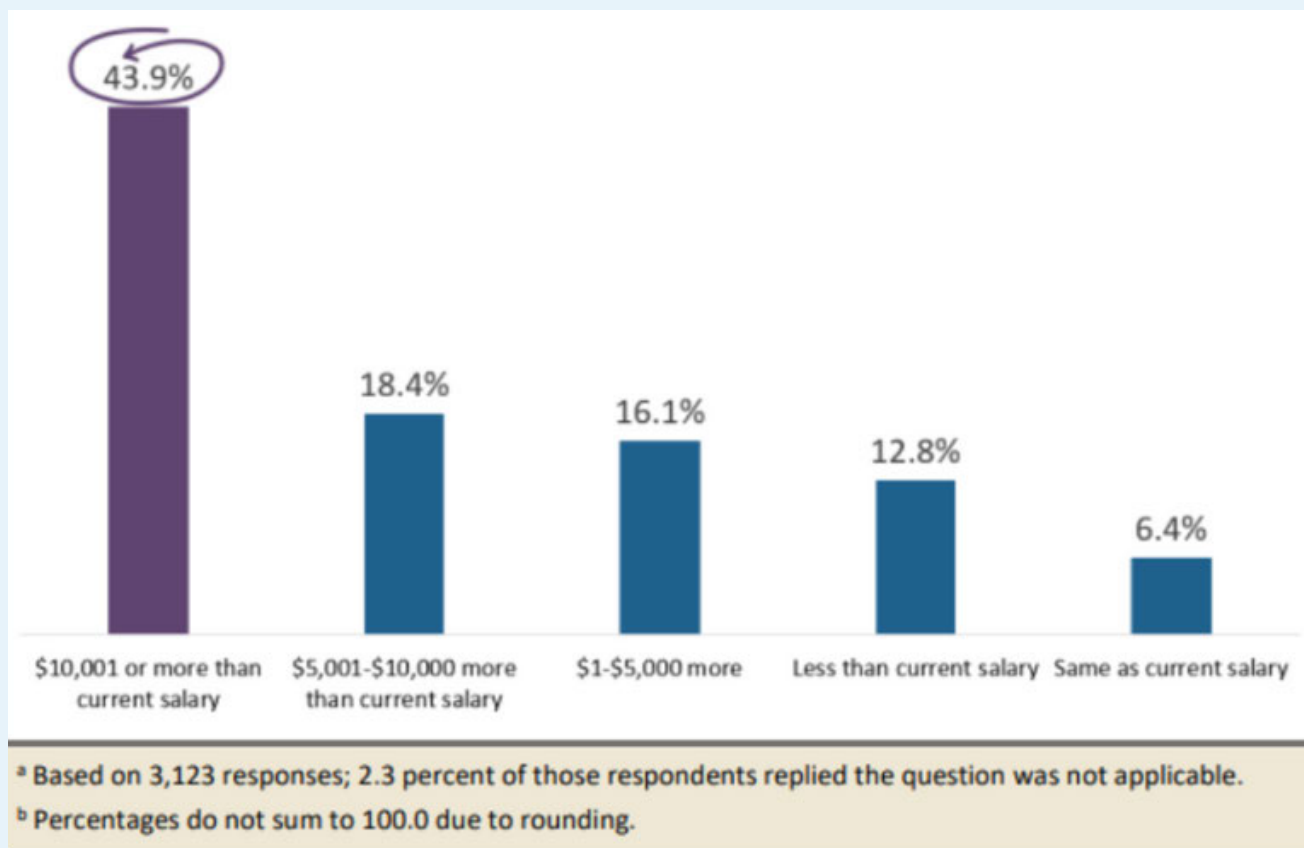
Source: <https://sao.texas.gov/Reports/Main/23-703.pdf> page 12.

How We Get the Texas We All Deserve

State Workforce Turnover Costs All of Us

The same 2022 exit survey shows **43.9%** of state employees who voluntarily left did so for an increase in pay of \$10,000 or more annually, demonstrating the pay gap between state pay and the pay available elsewhere. The survey also shows that **44%** of existing employees reported leaving for a job in the private sector or outside of state government.³¹

Compared to your current salary how much of an increase or decrease will your new salary be?



Source: SAO <https://sao.texas.gov/Reports/Main/23-703.pdf> page 58

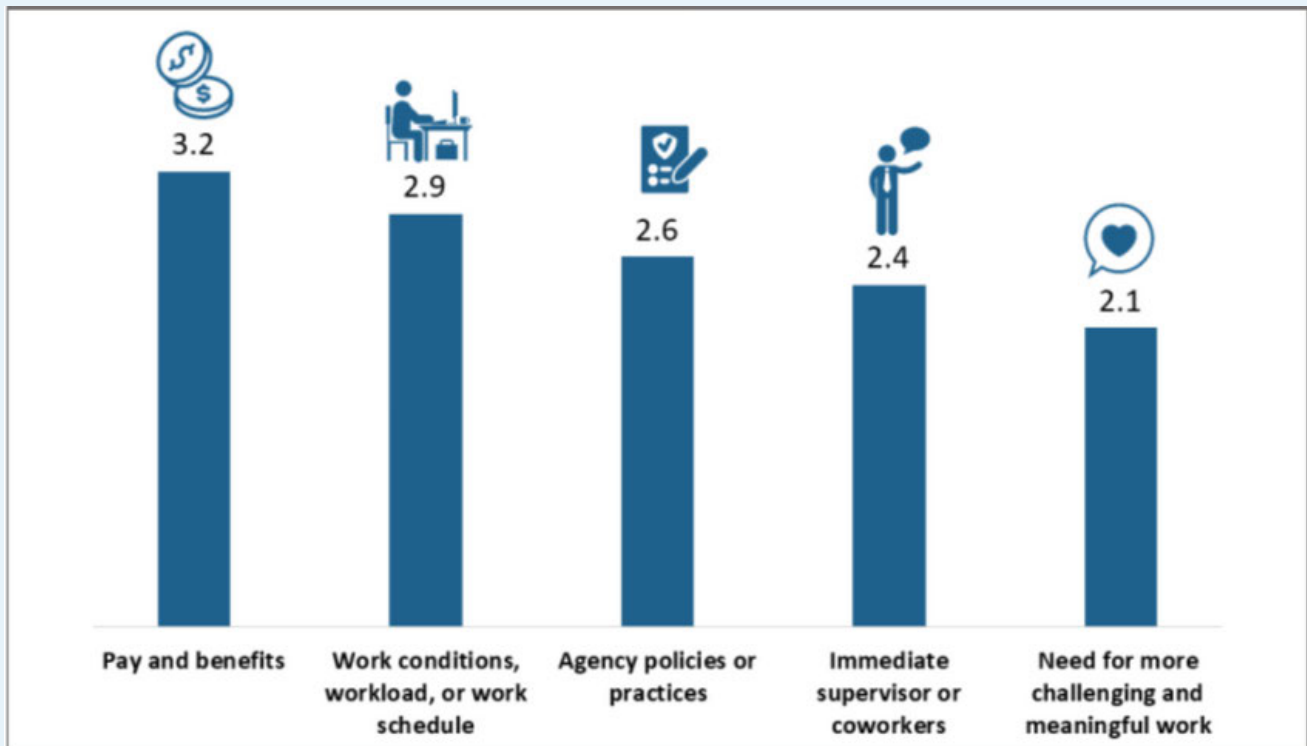
When asked to rate the extent to which certain factors influenced their decision to leave employment with their agency, respondents rated pay and benefits highest:

31 <https://sao.texas.gov/Reports/Main/23-703.pdf> page 57.

How We Get the Texas We All Deserve

State Workforce Turnover Costs All of Us

To what extent did each item below influence your decision to leave the agency?



^a "Pay and benefits" is based on 4,845 responses; "Work conditions, workload, or work schedule" is based on 4,882 responses; "Agency policies or practices" is based on 4,877 responses; "Immediate supervisor or co-workers" is based on 4,856 responses; and "Need for more challenging and meaningful work" is based on 4,808 responses.

Source: <https://sao.texas.gov/Reports/Main/23-703.pdf> page 56

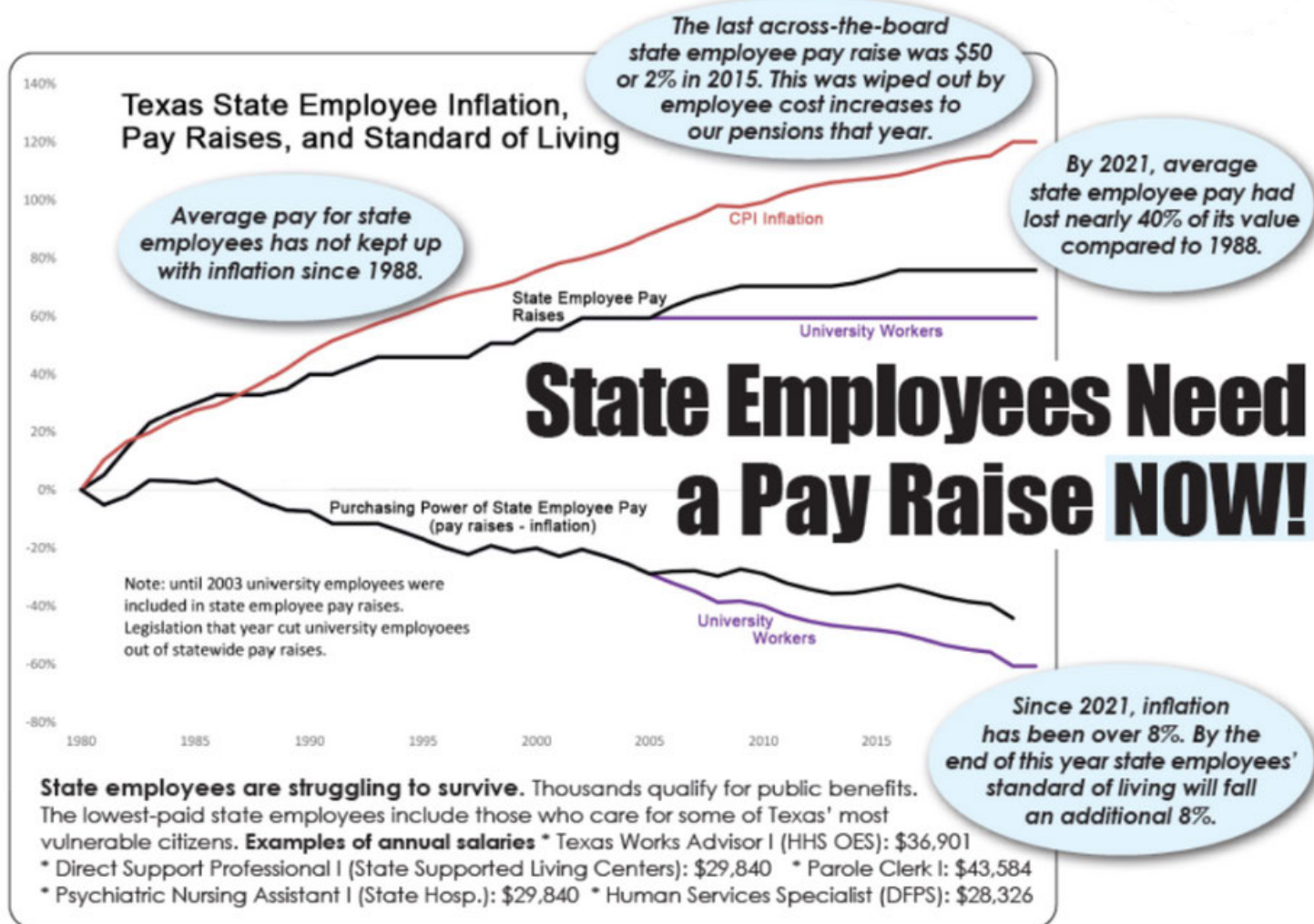
The Texas Public Employees Association (TPEA) reports that the state's workforce has not had a statewide pay increase since 2014; before 2014, state employees received a statewide pay increase every legislative session.³² The Texas State Employees Union (TSEU) shows the dire situation state workers face due to pay rates that have not been adjusted for inflation or increasing costs of living. In 2021 state employee salaries have lost nearly 40% of their value when compared to 1988 after adjustment for inflation. In the 2022 state employee exit surveys, workers who reported leaving their state job due to better pay and benefits cited their need to work a second job because their salaries have not kept up with inflation or the cost of living.³³

³² https://members.tpea.org/TPEA/Advocacy/State_Employee_Pay_Raise_History.aspx?WebsiteKey=ba24d9f9-846e-4b2d-b165-6d29b5d4e6fc

³³ <https://sao.texas.gov/Reports/Main/23-703.pdf> page 11.

How We Get the Texas We All Deserve

State Workforce Turnover Costs All of Us



How Texas workforce turnover compares to other states over the years

Texas has a history of high state worker turnover. In the 2001 SAO report for employee turnover, our state's high state employee attrition is noted as above the average in other states: "The statewide turnover rate for fiscal year 2001 was **17.6%**, down slightly from last year's rate of **18.9%**. **This rate continues to be higher than rates around the country.** The average turnover rate for state governments nationwide was **12%**; selected local governments averaged **13%**; the national private sector rate was **15%**." ³⁴ In 2009, the SAO reported that for the first time in five years, the employee turnover rate decreased by **3.1%** compared to 2008.

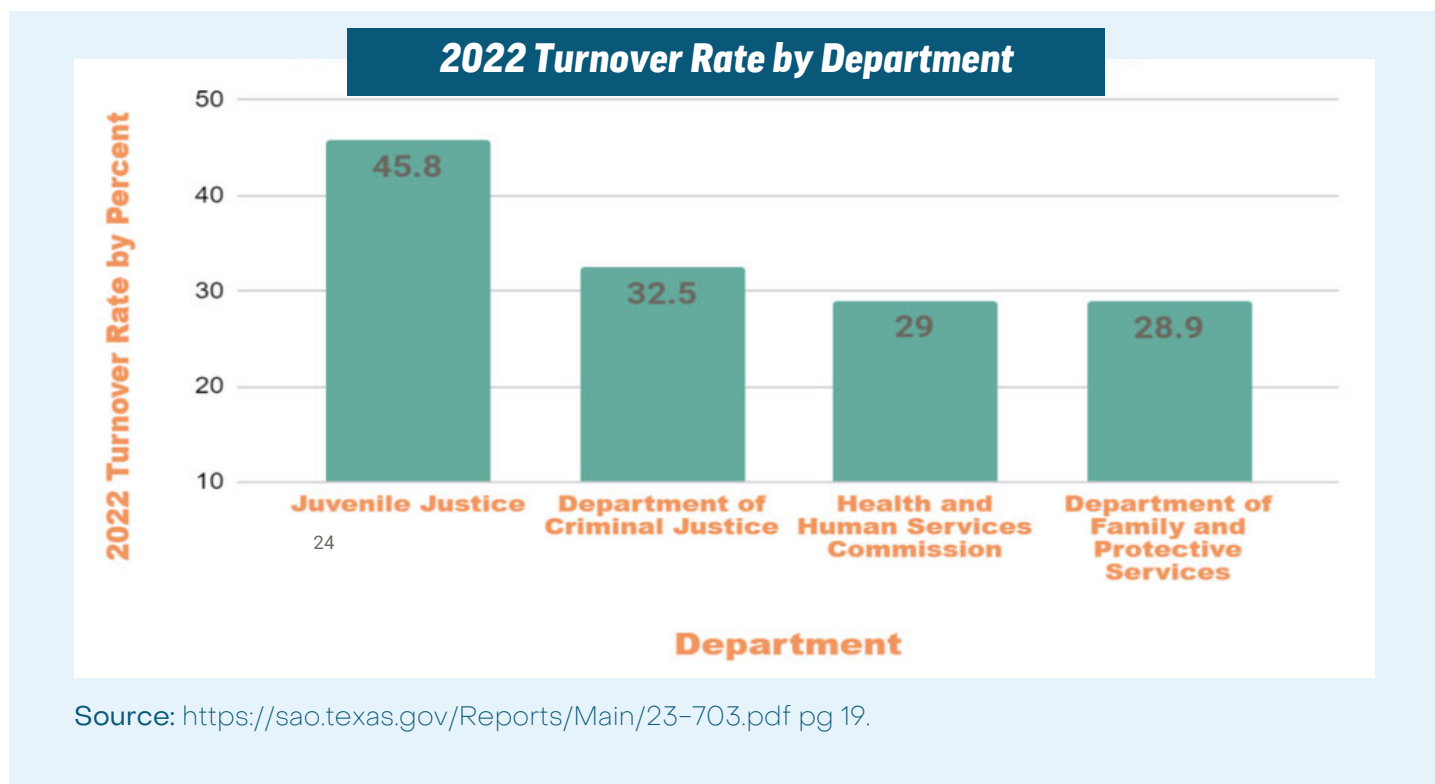
34 Alwin, Lawrence. "Full-Time Classified Employee Turnover for Fiscal Year 2001." <https://sao.texas.gov/Reports/Main/02-701.pdf>. Overall Conclusion.

How We Get the Texas We All Deserve

State Workforce Turnover Costs All of Us

The SAO attributed this to a salary increase over the last four years, improved retention efforts, and an overall low state unemployment rate.³⁵ Nationally, the Bureau of Labor Statistics³⁶ shows state and local turnover rates at **18%** in 2021 compared to Texas' **21.5%** in 2021 and **22.7%** in 2022.

In Texas, it is important to remember that certain departments have significantly higher turnover rates than the statewide department average turnover of **22.7%** for 2022. The chart below shows the departments with turnover rates exceeding the statewide average.



The state has 112 agencies, 14 of which have 1,000 or more employees. Twelve of the 14 departments experienced an increase in worker turnover from 2021 to 2022 (see chart below). The Texas Department of Insurance experienced the greatest increase in turnover, from **10.4%** to **18.9%** or an **8.5%** increase in turnover. Six of the 12 agencies with 1,000 or more staff members have turnover rates that exceed the national public sector turnover rate of **18%**.

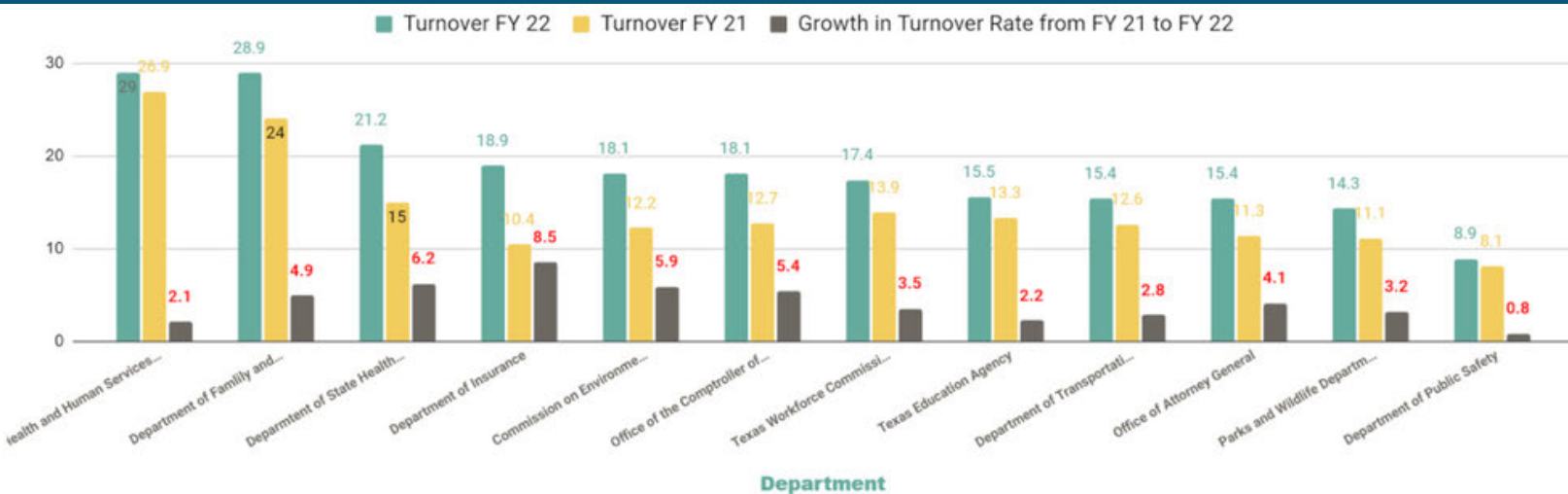
³⁵ Keel, John. "An Annual Report on State Classified Employee Turnover for Fiscal Year 2009". <https://sao.texas.gov/Reports/Main/10-702.pdf> see overall conclusion

³⁶ <https://www.bls.gov/news.release/jolts.t16.htm>

How We Get the Texas We All Deserve

State Workforce Turnover Costs All of Us

Number of Full Employees by Fiscal Year: Public Welfare and Social Insurance Administration



Source: <https://sao.texas.gov/Reports/Main/23-703.pdf> page 19

Let's improve conditions for state workers and prosper together. We're worth it.

The state government has the potential to play a critical role in supporting services that strengthen the propensity for shared prosperity of all Texan families. However, we cannot build shared prosperity if our state workers face unfair pay, limited benefits, and poor working conditions.

The public sector, including local and state government jobs, has played an important role, especially in the lives of women and Black Texans. Federal laws enacted through the civil rights movement created fairer hiring practices that, for the first time, allowed women and people of color, especially Black workers, to enter the public sector workforce at higher rates than the private sector.³⁷ These policies that created fair access to public sector jobs improved the lives of workers and their families, contributing to a strong and more multiracial middle class. However, public sector workers are often more educated than their private sector counterparts but earn less annually.³⁸ The fact that Texas has not kept up with inflation or cost of living since 2014 for all state employees exacerbates unfairness and results in the system we have today: unprecedented state worker turnover that is costing all of us who live in and love this state.

³⁷ <https://www.epi.org/blog/building-back-better-means-raising-wages-for-public-sector-workers/>

³⁸ <https://www.epi.org/publication/bp339-public-sector-jobs-crisis/>

How We Get the Texas We All Deserve

State Workforce Turnover Costs All of Us

Together, we can demand that our most powerful elected officials invest in us — and that includes our valuable state workers who are also our family members, friends, and neighbors. The following policy solutions will address state worker turnover and poor working conditions — ultimately improving the invaluable public services that all Texans deserve:

- ✓ Increase the salaries of state workers by \$10,000. State employees have not had a universal raise since 2014, and the cost of living in Texas continues to rise. We need to catch up.
 - ✓ Support **HB 202** by Rep. John Bucy
- ✓ State pensions should fund a cost of living adjustment. The state employees' retirement fund has not received a Cost of Living Adjustment (COLA) since 2002. In order to maintain a thriving state workforce that provides services we all benefit from, retirement funds should keep up with inflation.

Texans, including workers and their families, community-based organizations, and unions are coming together to save and improve the public goods and services that benefit all Texans. *You can join our collective effort:*

Sign up for advocacy alerts here!

- ✓ Our campaign will share opportunities for you to take action, including:
 - ✓ Sharing information on social media;
 - ✓ Opportunities to call and/or write letters to your elected officials;
 - ✓ Advocacy day at the Texas Capitol on April 12, 2023;
 - ✓ And more!



Make your voice heard!

- ✓ Find your Texas state representatives here: <https://wrm.capitol.texas.gov/home>
- ✓ Call your state representatives and tell them the following message: *I care about our common good and believe hardworking Texan families of all backgrounds deserve dignity and respect. State workforce turnover costs all of us and blocks access to vital public services that benefit us all. Please support HB 202 to address unprecedented turnover in state government.*