



WORKFORCE: Energy Only 3 Percent of Texas Private-Sector Jobs

More than 290,000 people work in the Texas oil and gas industry, about five times the number in Oklahoma, which has the second-highest total among the states. Still, Texas oil and gas production workers make up only 3 percent of private-sector employment in the state.

The share is higher in other top energy states. In neighboring New Mexico, 3.3 percent of private employees work in oil and gas production, and Oklahoma energy jobs are 4.6 percent of total private employment. The share of energy production workers in North Dakota, home to the Bakken Shale, is nearly 5 percent, and in Alaska, the share is 5.6 percent.

Although Texas only ranks seventh in share of energy production jobs, this figure has risen because of the shale boom. Since 2003, Texas energy employment has increased 108 percent, while total private-sector employment has grown 22 percent. Four major oil- and gas-producing regions are in Texas—the Eagle Ford Shale and Permian Basin, which are the most prolific oil-producing regions in the nation, and the Haynesville and Barnett shale formations, which combined produce 13 percent of U.S. natural gas.

Energy production employment includes jobs in extraction, drilling and mining support. Annual earnings for these jobs in Texas greatly exceed average private-sector earnings—\$122,000 versus \$52,000.

—Kristin Davis



IMMIGRATION: Methodology Offers Insight on Unauthorized Residents

There are 1.5 to 1.7 million undocumented immigrants in Texas out of a national total of 11.2 million, according to estimates by the Migration Policy Institute, a Washington-based think tank. About 80 percent of Texas' undocumented population is from Mexico, and 51 percent of the undocumented total have been present in the U.S. for 10 or more years, compared with 47 percent nationally.

The institute's data reflect use of a new methodology allowing analysts to impute immigrants' legal status from the Census Bureau's American Community Survey.

The institute found approximately 62 percent of the Texas undocumented population lacked a high school degree or equivalent from 2008 to 2012. That compared with 50 percent of the national undocumented population. About 63 percent in Texas were employed versus 65 percent nationally.

The data also show that during the period, more undocumented immigrants in Texas lived in poverty than across the country—37 percent compared with 31 percent—likely as a result of their lower education levels. An estimated 75 percent lacked access to health insurance in Texas, compared with 63 percent in the nation.

—Emily Gutierrez



RETIREMENT: Unfunded Texas Health Benefits Add to State Liabilities

Texas' unfunded retiree health care benefits for state and local employees, known as “other postemployment benefits” (OPEB), totaled \$55 billion in fiscal 2012, fourth highest in the nation, according to Standard & Poor's. OPEBs have received less attention than pension benefits, but remain a significant liability for states.

Nationally, unfunded OPEB liabilities totaled \$529 billion in fiscal 2012—equal to 29 percent of U.S. state-held debt—although significantly less than the \$833 billion in unfunded pension liabilities, according to S&P. In Texas—as in most states—unfunded liabilities can be attributed to a pay-as-you-go funding strategy, as opposed to prefunding. In 2012, only 11 states had a funding ratio (liabilities/assets) higher than 10 percent.

Before the Governmental Accounting Standards Board, an independent oversight panel, required financial reporting in 2008, OPEB liabilities were largely undisclosed. Unlike pension benefits, OPEBs are not constitutionally guaranteed in most states, and since 2008 many states have attempted to curb benefits in order to decrease liabilities. From fiscal 2011 to 2012, the unfunded liabilities of Texas' largest OPEB funds—State Retiree Health Plan and Teacher Retirement System TRS-Care—declined 3.3 and 10.1 percent, respectively, according to S&P.

—Sarah Greer