

**CHAPTER 838. TEXAS INDUSTRY-RECOGNIZED APPRENTICESHIP GRANT PROGRAM**

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## CHAPTER 838. TEXAS INDUSTRY-RECOGNIZED APPRENTICESHIP PROGRAMS GRANT PROGRAM

### SUBCHAPTER A. GENERAL PURPOSE AND DEFINITIONS

#### §838.1. Scope and Purpose.

- (a) Purpose. The purpose of this chapter is to implement the provisions of Texas Labor Code, Chapter 302, related to the Texas Industry-Recognized Apprenticeship Programs Grant Program. These rules may be cited as the Texas Industry-Recognized Apprenticeship Grant Program fund rules.
- (b) Goal. The goal of the Texas Industry-Recognized Apprenticeship (TIRA) fund is to address Texas' immediate industrial workforce needs resulting from the impact of hurricanes, other natural disasters, and overall workforce shortages.

*The provisions of this §838.1 adopted to be effective December 28, 2020, 45 TexReg 9573; amended to be effective November 20, 2023, 48 TexReg 6746*

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#### §838.2. Definitions.

The following words and terms, when used in this chapter, shall have the following meanings, unless the context clearly indicates otherwise.

- (1) Grant Recipient--An entity within Texas that is awarded TIRA funds by the Agency. Grant recipients must cooperate and comply with all contract requirements and Agency monitoring activities, as required by Chapter 802, Subchapter D of this title (relating to Agency Monitoring Activities).
- (2) Eligible Grant Applicant--An entity, as specified in state law, that is eligible to receive TIRA funding. Eligible grant applicants may include, but are not limited to, the following:
  - (A) Trade and industry groups
  - (B) Corporations
  - (C) Nonprofit organizations
  - (D) Educational institutions
  - (E) Unions
  - (F) Joint labor-management organizations

- (3) Texas Industry-Recognized Apprenticeship--A training program that:
  - (A) provides on-the-job training, preparatory instruction, supplementary instruction, or related instruction:
    - (i) in an occupation that has been recognized as an apprenticeable occupation; and
    - (ii) under an industry-recognized and accredited training curriculum;
  - (B) guarantees employment to participants during and upon successful completion of the training period;
  - (C) pays each participant a progressive wage and provides eligibility for participants to receive full-time employee benefits during and upon successful completion of the training period, equal to or above the impacted local workforce development area's (workforce area) self-sufficiency wage;
  - (D) requires participants to advance their skills, at a minimum, to a credentialed, performance-verified mid-level status in a field related to the TIRA;
  - (E) has a duration of no longer than 26 weeks; and
  - (F) gives preference to training and hiring:
    - (i) unemployed Texans who have registered with the Agency;
    - (ii) veterans of the United States armed forces;
    - (iii) formerly incarcerated individuals; and
    - (iv) underemployed individuals who are working without industry-recognized certifications or other credentials.
- (4) Participant--An individual training in a TIRA under an apprenticeship agreement who:
  - (A) is a full-time paid worker, receiving benefits and employed in the private sector during training;
  - (B) maintains suitable employment for at least 12 consecutive months immediately following completion of the training program; and

- (C) receives related instructional training to learn a skill in a certified apprenticeable occupation that advances his or her skills to a credentialed, performance-verified mid-level status in the occupation, as identified by the Agency.

*The provisions of this §838.2 adopted to be effective December 28, 2020, 45 TexReg 9573; amended to be effective November 20, 2023, 48 TexReg 6746*

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## **SUBCHAPTER B. GRANT PROGRAM**

### **§838.11. General Statement of Purpose.**

In accordance with Texas Labor Code, Chapter 302, the Agency establishes the TIRA Grant Program, which shall be administered pursuant to Texas Labor Code, Chapter 302, and the rules in this chapter, to award grants from the TIRA fund to encourage the private sector to develop specialized TIRA programs in Texas that meet the requirements of Texas Labor Code §302.255.

*The provisions of this §838.11 adopted to be effective December 28, 2020, 45 TexReg 9573; amended to be effective November 20, 2023, 48 TexReg 6746*

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### **§838.12. Notice of Grant Availability and Application.**

- (a) From time to time, the Agency may publish a Notice of Availability (NOA) of grant funds under this chapter. The notice shall be published on the Agency's website. In addition to the respective purpose for each grant program under this chapter, the notice may include:
  - (1) the total amount of grant funds available for the award;
  - (2) the geographical workforce areas that are eligible;
  - (3) the specific industries or occupations targeted;
  - (4) the maximum number of grants to be awarded;
  - (5) the special populations to be served;
  - (6) the application process and requirements; and
  - (7) any other grant requirements necessary and appropriate for awarding grants in addition to those set forth in this chapter.

- (b) To be eligible for a grant award, an applicant meeting the eligibility criteria identified in the NOA shall submit an application to the Agency in the form and manner as prescribed in subsection (d) of this section.
  - (1) The Agency's executive director, or designee, shall evaluate each application, considering the requirements and purpose of the NOA for which the application is submitted, the financial stability of the private sector employer, the regional economic impact, and any other factors the Agency determines appropriate.
  - (2) If the Agency determines that an application is appropriate for funding, the executive director or designee shall enter into a contract with the grant recipient on behalf of the Agency.
  - (3) Any applicants currently on corrective action pursuant to Chapter 802, Subchapter G of this title (relating to Corrective Actions), or not meeting any requirements of this chapter, shall not be eligible to receive a grant.
- (c) The Agency may request additional information at any time before the grant award in order to effectively evaluate any application.
- (d) Form and manner of application:
  - (1) Applications shall be in writing and contain the following information:
    - (A) The number of proposed jobs created, and retention plans to meet the requirements of §838.21(a)(1) of this chapter;
    - (B) A brief outline of the proposed project, including the skills acquired through training and the employer's involvement in the planning and design;
    - (C) A brief description of the measurable training objectives aligned with §838.22 of this chapter;
    - (D) The occupation and wages for participants who complete the project as set forth in §838.22(3) of this chapter;
    - (E) A budget summary, disclosing anticipated project costs and resource contributions, including the dollar amount the private partner is willing to commit to the project;
    - (F) A signed agreement between all partners that outlines each entity's roles and responsibilities if a grant is awarded;

- (G) A statement explaining the basis for the determination by the TIRA that the application meets the requirements of the NOA applied for and identifying the targeted actual or projected labor shortages in the occupation in which the proposed training project will be provided;
  - (H) A statement identifying that the proposed cost of training included in the application is consistent with costs recorded on the Eligible Training Provider List (ETPL), as defined in Chapter 840, Subchapter A of this title (relating to General Provisions), if the applicant's program(s) are included on the ETPL;
  - (I) A statement describing the eligible applicant's equal employment opportunity policy;
  - (J) A list of the proposed employment benefits;
  - (K) A statement, supported by adequate documentation, establishing that the applicant's proposed training program is a TIRA as defined by §838.2(3) of this chapter; and
  - (L) Any additional information contained in §838.13 of this chapter and deemed necessary by the Agency to complete an evaluation of an application.
- (2) Applications shall disclose other grant funds sought or awarded from the Agency or other state and federal sources for the project proposed in the application.
  - (3) Applicants shall submit their application to the Agency's executive director or designee as specified in the NOA for which the applicant is applying.
  - (4) An applicant may, with the approval of the executive director or designee, submit an application for funding that does not contain or identify all of the required elements under paragraph (1) of this subsection. The release of any funding is contingent upon the applicant's submission, and the Agency's approval, of all the required elements in this subsection.

*The provisions of this §838.12 adopted to be effective December 28, 2020, 45 TexReg 9573; amended to be effective November 20, 2023, 48 TexReg 6746*

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**§838.13. Eligible and Approved Applicants.**

- (a) Eligible applicants are the TIRA entities who submit a complete application demonstrating that the TIRA meets the criteria specified in the NOA for which the TIRA is applying.
- (b) Approved applicants must:
  - (1) be the fiscal agents for the funds and are subject to the annual report procedures set forth in Texas Labor Code §302.258;
  - (2) be in good standing under the laws of the state, as evidenced by a certificate issued by the secretary of state; and
  - (3) not owe delinquent taxes to a taxing unit of Texas.

*The provisions of this §838.13 adopted to be effective December 28, 2020, 45 TexReg 9573; amended to be effective November 20, 2023, 48 TexReg 6746*

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**§838.14. Funding Qualifications for Texas Industry-Recognized Apprenticeship Grant Program.**

To qualify for funding, each TIRA must:

- (1) meet the requirements listed in §838.13 of this chapter;
- (2) meet the definition prescribed in §838.2(3) of this chapter;
- (3) provide the Agency with a copy of its written training plan for validation; and
- (4) comply with Agency rules and Texas Labor Code, Chapter 302.

*The provisions of this §838.14 adopted to be effective December 28, 2020, 45 TexReg 9573; amended to be effective November 20, 2023, 48 TexReg 6746*

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**SUBCHAPTER C. PROGRAM ADMINISTRATION**

**§838.21. Texas Industry-Recognized Apprenticeship Grants.**

- (a) Grants received under this subchapter may be used to:

- (1) reimburse an eligible grant recipient for costs incurred while training a participant who:
    - (A) completes a program operated by the grant recipient and achieves the required skill level set forth in Texas Labor Code §302.255(4)(D); and
    - (B) maintains suitable employment for at least 12 consecutive months immediately following completion of the program;
  - (2) be awarded on a TIRA-participant basis; and
  - (3) not exceed the lesser of:
    - (A) the total cost for training the participant, excluding wages and benefits; or
    - (B) \$10,000.
- (b) In awarding a grant under this subchapter, the Agency may consider:
- (1) the anticipated economic value to the state upon participants' program completion;
  - (2) the increased tax revenue generated by participants' wages; and
  - (3) the decrease in participants' use of state-funded benefits, attributable to the participants' job placements and earning projections.

*The provisions of this §838.21 adopted to be effective December 28, 2020, 45 TexReg 9573; amended to be effective November 20, 2023, 48 TexReg 6746*

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#### **§838.22. Program Objectives.**

The following are the program objectives in administering the TIRA fund:

- (1) To ensure that funds from the program are spent in workforce areas that are impacted by hurricanes and other natural disasters and to respond to immediate workforce needs and overall workforce shortages;
- (2) To encourage the private sector to develop specialized apprenticeships in Texas;



- (3) To develop projects that, at completion of the training, will result in wages equal to or greater than the mid-level status of the apprenticeable occupation related to that TIRA; and
- (4) To promote advancing participant skills, at a minimum, to obtaining an industry credential in the related field of the TIRA.

*The provisions of this §838.22 adopted to be effective December 28, 2020, 45 TexReg 9573; amended to be effective November 20, 2023, 48 TexReg 6746*

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**§838.23. Administrative Costs Limitation.**

Costs that are allowable, necessary, and reasonably incurred by a grant recipient to properly administer and manage the funds, such as salaries for grant recipient staff and administrative supplies, are considered administrative costs. Administrative costs may not exceed 10 percent of the total grant award.

*The provisions of this §838.23 adopted to be effective December 28, 2020, 45 TexReg 9573*

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**§838.24. Performance.**

The Agency may:

- (1) develop and adopt annual performance measures and targets for TIRAs; and
- (2) consider past performance of TIRAs in determining eligibility for funding.

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**SUBCHAPTER D. COMPLIANCE**

**§838.31. Funds Management and Accountability.**

Grant recipients shall comply with the applicable rules in Chapter 802 of this title (relating to Integrity of the Texas Workforce System), specifically:

- (1) Chapter 802, Subchapter D of this title (relating to Agency Monitoring Activities);

- (2) Chapter 802, Subchapter F of this title (relating to Performance and Accountability);
- (3) Chapter 802, Subchapter G of this title (relating to Corrective Actions); and
- (4) Chapter 802, Subchapter H of this title (relating to Remedies).

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