

1 **Support for Healthcare Occupations**
2 **Discussion Paper**
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5 **Background**

6 Texas has experienced significant job growth as evidenced by job gains in 45 of the last 47
7 months, with 270,700 jobs added in the twelve months leading to March 2024. Even with more
8 than 15 million Texans employed, hundreds of middle skill jobs go unfilled due to a mismatch of
9 skilled workers and industry need.
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11 According to the Texas Workforce Commission’s (TWC) Labor Market and Information
12 Department, there is a current shortage of 12,607 Registered Nurses in Texas. Furthermore, the
13 demand for all healthcare occupations is expected to grow faster than all other occupations
14 combined. Recent projections indicate employment in Healthcare Occupations (SOC codes 29-
15 0000 and 31-0000) will grow 23.9% by 2030, adding over 298,000 new jobs. This growth will
16 account for 12% of the overall expected growth in Texas. While the Texas workforce system
17 currently supports the healthcare industry through existing programs and resources, there are
18 opportunities to expand the workforce development resources available to train Texans and
19 increase the number of RNs and other in-demand healthcare professionals across the state.
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21 **Issue**

22 Despite the successes of TWC’s existing services to prepare Texans for work, the demand for
23 more RNs, and other healthcare workers remains high. Staff has identified the following as
24 opportunities for increasing the number of healthcare workers across the state:
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- 26 1. Allocate \$2 million in FY 2024 Workforce Innovation and Opportunity Act (WIOA)
27 Statewide funds to Upskill Texas for healthcare employers seeking to upskill incumbent
28 workers providing patient care. As in the case of the initial pilot, eligible applicants
29 would include Texas employers or their designees, and projects would be funded on a
30 first-come, first-served basis.
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- 32 2. Fund a new initiative to support career and technical education dual credit costs such as
33 tuition and curriculum development/acquisition. Eligible applicants could include
34 community and technical colleges seeking to expand dual credit healthcare program
35 offerings with an independent school district (ISD) or open-enrollment charter school. Up
36 to \$3 million from the Skills Development Fund (SDF) could be used in FY 2024-2025 to
37 fund eligible applications of up to \$300,000 each.
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- 39 3. Allow up to \$2 million in funding from SDF to be used for public sector healthcare
40 employers seeking to train new or incumbent workers. Staff recommends the temporary
41 reduction of the prevailing wage requirement for this initiative from 25% to 10% to
42 ensure all areas of the state, including rural areas, have the opportunity to upskill their
43 healthcare staff.
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- 45 4. Make \$1.5 million in WIOA Title I Statewide funding available to community and
46 technical colleges or independent school districts (ISDs) for the purpose of developing

47 capacity in LVN and RN training programs. Funds may be used to develop curricula and
48 training-related supplies in addition to instructor salary costs. Eligible applications would
49 be funded up to \$150,000 each.

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51 5. Make \$1 million in WIOA Title I Statewide funding available to Local Workforce
52 Development Boards by application to support paid internships for eligible youth ages
53 16–24 or adults in private or public hospitals, healthcare clinics, home health
54 organizations and skilled nursing facilities. Eligible applications would be funded up to
55 \$100,000 each.

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57 6. Dedicate \$1 million from the Texas Industry-Recognized Apprenticeship (TIRA) Grant
58 Program specifically for healthcare occupations, enabling private sector employers to
59 move entry-level workers into middle-skills occupations.

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61 7. Dedicate \$600,000 in DOL Apprenticeship Expansion grant funding for incentives to
62 employers that opt to pursue establishment or expansion of registered apprenticeship
63 programs with pathways leading to RN.

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65 8. Launch a \$500,000 Adult Education and Literacy (AEL) initiative to assist internationally
66 trained professionals (ITPs) in obtaining the credentials needed to continue their
67 education and career pathways within Texas.

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69 **Decision Point**

70 Staff recommends the approval of the opportunities outlined above to support the growth and
71 development of the state's healthcare workforce.