

1 **CHAPTER 838. TEXAS INDUSTRY-RECOGNIZED APPRENTICESHIP**  
2 **PROGRAMS GRANT PROGRAM**

3  
4 **PROPOSED RULES WITH PREAMBLE TO BE SUBMITTED TO THE TEXAS**  
5 **REGISTER. THIS DOCUMENT WILL NOT HAVE ANY SUBSTANTIVE**  
6 **CHANGES BUT IS SUBJECT TO FORMATTING CHANGES AS REQUIRED**  
7 **BY THE TEXAS REGISTER.**

8  
9 **ON SEPTEMBER 15, 2020, THE TEXAS WORKFORCE COMMISSION**  
10 **PROPOSED THE RULES BELOW WITH PREAMBLE TO BE SUBMITTED TO THE**  
11 **TEXAS REGISTER.**

12  
13 Estimated Publication Date of the Proposal in the *Texas Register*: **October 2, 2020**  
14 Estimated End of Comment Period: **November 2, 2020**

15  
16 The Texas Workforce Commission (TWC) proposes new Chapter 838, relating to the  
17 Texas Industry-Recognized Apprenticeship Programs Grant Program (IRAPGP),  
18 comprising the following subchapters:

- 19  
20 Subchapter A. General Purpose and Definitions, §§838.1 and §838.2  
21 Subchapter B. Grant Program, §§838.11 - 838.14  
22 Subchapter C. Program Administration, §§838.21 - 838.24  
23 Subchapter D. Compliance, §838.31

24  
25 **PART I. PURPOSE, BACKGROUND, AND AUTHORITY**  
26 **PART II. EXPLANATION OF INDIVIDUAL PROVISIONS**  
27 **PART III. IMPACT STATEMENTS**  
28 **PART IV. COORDINATION ACTIVITIES**

29  
30 **PART I. PURPOSE, BACKGROUND, AND AUTHORITY**

31 House Bill (HB) 2784, enacted by the 86th Texas Legislature, Regular Session (2019),  
32 amended Chapter 302 of the Texas Labor Code by adding Subchapter I, creating the  
33 Texas IRAPGP to address Texas' immediate industrial workforce needs resulting from  
34 the impact of hurricanes, other natural disasters, and overall workforce shortages.

35  
36 HB 2784 allows TWC to:

- 37 --establish and administer the IRAPGP to encourage the private sector to develop  
38 specialized industry-recognized apprenticeship programs in Texas;  
39 --develop and adopt rules to administer and enforce the IRAPGP requirements;  
40 --establish eligibility criteria for grantee recipients;  
41 --award grants only to reimburse an eligible apprentice for the cost of training IRAP  
42 participants;  
43 --establish guidelines or formulas for determining an increase in economic value to the  
44 state attributable to a participant's program completion; and  
45 --establish limitations on the total amount of grant funds that a grant recipient may be  
46 awarded.

1  
2 Additionally, HB 2784 allows TWC's three-member Commission (Commission) to  
3 implement provisions by using other appropriations available if the legislature does not  
4 appropriate money specifically for this purpose.

5  
6 The purpose of the proposed Chapter 838 rules is to implement the provisions of HB  
7 2784, relating to IRAPGP, which is to address Texas' immediate industrial workforce  
8 needs resulting from the impact of hurricanes, other natural disasters, and overall  
9 workforce shortages.

10  
11 **PART II. EXPLANATION OF INDIVIDUAL PROVISIONS**

12 (Note: Minor editorial changes are made that do not change the meaning of the rules and,  
13 therefore, are not discussed in the Explanation of Individual Provisions.)

14  
15 **SUBCHAPTER A. GENERAL PURPOSE AND DEFINITIONS**

16 **TWC proposes new Subchapter A, General Purpose and Definitions, as follows:**

17  
18 **§838.1. Scope and Purpose**

19 New §838.1(a) and (b) set forth the provisions related to the scope and purpose of the IRAP fund to  
20 implement the provisions of HB 2784, relating to IRAPGP, which is to address Texas' immediate  
21 industrial workforce needs resulting from the impact of hurricanes, other natural disasters, and  
22 overall workforce shortages. New §838.1(a) also states that Chapter 838 may be referred to as the  
23 IRAP fund rules.

24  
25 **§838.2. Definitions**

26 New §838.2 sets forth the definitions of the IRAP fund rules.

27  
28 New §838.2(1) defines "grant recipient" as an eligible grant recipient within Texas that is awarded  
29 industry-recognized apprenticeship funds by TWC. The grant recipient also must comply with all  
30 contract requirements and TWC monitoring activities as required by Chapter 802, Subchapter D,  
31 Agency Monitoring Activities.

32  
33 New §838.2(2) defines "eligible grant recipient" as an entity that is eligible to receive IRAP  
34 funding. Eligible grant recipients include the following: trade and industry groups, corporations,  
35 nonprofit organizations, educational institutions, unions, and joint labor-management organizations.

36  
37 New §838.2(3) defines "Industry-Recognized Apprenticeship Program" as a training program that  
38 provides on-the-job training, preparatory instruction, supplementary instruction, or related  
39 instruction in an occupation that has been recognized as an apprenticeable occupation by the US  
40 Department of Labor (DOL) or that is certified as an IRAP by a third-party certifier that has  
41 received a DOL favorable determination of qualification to award that certification.

42  
43 New §838.2(4) defines "participant" as an individual training in an IRAP under an apprenticeship  
44 agreement who is a full-time paid worker receiving benefits and employed in the private sector  
45 during training, maintains suitable employment for at least 12 consecutive months immediately  
46 following completion of the training program, and receives related instructional training to learn a

1 skill in a certified apprenticeable occupation that advances his or her skills to a credentialed,  
2 performance-verified, mid-level status in the occupation, as identified by TWC.

3  
4 New §838.2(5) defines "Standards Recognition Entity (third-party certifier)" as an entity that is  
5 qualified to recognize an apprenticeship program as an IRAP and that is recognized by DOL.

6  
7 **SUBCHAPTER B. GRANT PROGRAM**

8 **TWC proposes new Subchapter B, Grant Program, as follows:**

9  
10 **§838.11. General Statement of Purpose**

11 New §838.11 states that Texas Labor Code, §302.255, provides TWC with the authority to adopt,  
12 amend, or rescind such rules as it deems necessary for the effective administration of Texas Labor  
13 Code, Title 4.

14  
15 **§838.12. Notice of Grant Availability and Application**

16 New §838.12 states the manner in which TWC announces the availability of funds by  
17 posting public notice in the *Texas Register* and on the TWC website in order to reach the  
18 broadest audience. New §838.12 also details the submission process and authority to  
19 request additional information to effectively evaluate applications.

20  
21 **§838.13. Eligible Applicants**

22 New §838.13(a) defines IRAPs as the entities eligible to apply for IRAP funding.

23  
24 New §838.13(b) establishes the requirements for IRAPS to:

- 25 (1) act as the fiscal agents for the funds and comply with annual report procedures in  
26 Texas Labor Code, §302.258;
- 27 (2) apply to TWC in the form and manner prescribed;
- 28 (3) be in good standing under the laws of the state, as evidenced by a certificate issued by  
29 the secretary of state;
- 30 (4) not owe delinquent taxes to a taxing unit of Texas; and
- 31 (5) operate a certified IRAP that:
- 32 (A) provides on-the-job training under an industry-recognized, accredited training  
33 curriculum;
- 34 (B) guarantees employment to participants during and upon successful completion of  
35 the training period;
- 36 (C) pays each participant a progressive wage and provides eligibility to receive full-  
37 time employee benefits during and upon successful completion of the training  
38 period, equal to or above the impacted local workforce development area's  
39 (workforce area's) self-sufficiency wage;
- 40 (D) requires participants to advance their skills, at a minimum, to a credentialed,  
41 performance-verified mid-level status in a field related to the IRAP;
- 42 (E) is no longer than 26 weeks; and
- 43 (F) gives preference to training and hiring unemployed Texans who have filed for  
44 benefits, veterans, formerly incarcerated individuals, and underemployed  
45 individuals who are working without industry-recognized certifications or other  
46 credentials.

1  
2 **§838.14. Funding Qualifications for Industry-Recognized Apprenticeship Programs**

3 New §838.14 sets forth the funding qualifications for IRAPs, as meeting the requirements  
4 listed in §838.13, meeting the definition prescribed in §838.2(3), providing TWC with a  
5 validated copy of its written training plan or recognition certificate as approved by the  
6 third-party certifier, and complying with TWC rules and Texas Labor Code, Chapter 302.

7  
8 **SUBCHAPTER C. PROGRAM ADMINISTRATION**

9 **TWC proposes new Subchapter C, Program Administration, as follows:**

10  
11 **§838.21. Grants for Industry-Recognized Apprenticeship Programs**

12 New §838.21(a) sets forth the conditions for which IRAP funds may be used to reimburse  
13 an eligible grant recipient for costs incurred while training a participant, allows IRAP  
14 funds to be awarded on an IRAP-participant basis, and establishes per-participant funding  
15 caps.

16  
17 New §838.21(b) allows TWC to consider other factors when awarding a grant, including  
18 anticipated economic value to the state upon participants' program completion, increased  
19 tax revenue generated by participants' wages, and the decrease in participants' use of  
20 state-funded benefits, attributable to the participants' job placement and earning  
21 projections.

22  
23 TWC, while maintaining efficient statewide distribution for the program's resources, is  
24 committed to timely service of these immediate-need areas. Considerations of other  
25 factors allow the director of the fund to emphasize service to areas with immediate needs  
26 resulting from natural disasters and overall workforce shortages. Applications for grant  
27 money available to a workforce area with a high workforce shortage would be processed  
28 on a priority basis.

29  
30 Expedited processing will encourage grant applications from eligible impacted areas.  
31 Applications can be expected to arrive earlier in the fiscal year and in greater quantity.  
32 This expedited process will help ensure that the IRAP fund is helping workers in eligible  
33 impacted areas as quickly as possible and help ensure the most effective use of dollars  
34 available to eligible impacted areas.

35  
36 **§838.22. Program Objectives**

37 New §838.22 sets forth the program objectives for administering the IRAP fund:  
38 --to ensure that funds from the program are spent in workforce areas that are impacted by  
39 hurricanes and other natural disasters and to respond to immediate workforce needs and  
40 overall workforce shortages;  
41 --to encourage the private sector to develop specialized IRAPs in Texas;  
42 --to develop projects that, at completion of the training, will result in wages equal to or  
43 greater than the mid-level status of the apprenticeable occupation related to that IRAP;  
44 and  
45 --to sponsor the attraction of advancing participant skills, at a minimum, to obtaining an  
46 industry credential in the related field of the IRAP.

1  
2 TWC, while maintaining efficient statewide distribution of the IRAP fund's resources, is committed  
3 to timely service of high-need areas. The purpose of these objectives is to fund programs that, at  
4 completion of the training, will result in the greatest economic benefit to the public for each dollar  
5 invested in worker training in the form of enhanced worker skills and optimized multiplier effects  
6 within the local community, furthering the promotion of higher wages.

7  
8 **§838.23. Administrative Costs Limitation**

9 New §838.23 establishes an administrative cap on IRAP funds not to exceed 10 percent  
10 of the total grant award.

11  
12 **§838.24. Performance**

13 New §838.24 authorizes TWC to develop and adopt annual performance measures and  
14 targets for IRAPs and consider past performance of IRAPs in determining eligibility for  
15 funding.

16  
17 TWC strives to be a diligent and responsible steward of public funds, with a commitment  
18 to transparency and accountability. Measuring program performance allows TWC to  
19 evaluate the effectiveness of programs and make data-driven decisions.

20  
21 **SUBCHAPTER D. COMPLIANCE**

22 **TWC proposes new Subchapter D, Compliance, as follows:**

23  
24 **§838.31. Funds Management and Accountability**

25 New §838.31 requires IRAPs to comply with the applicable rules in Chapter 802,  
26 Integrity of the Texas Workforce System, specifically:

- 27 --Subchapter D, relating to Agency Monitoring Activities;  
28 --Subchapter F, relating to Performance and Accountability;  
29 --Subchapter G, relating to Corrective Actions; and  
30 --Subchapter H, relating to Remedies.

31  
32 Section 802.2(1) defines "Agency Grantees" as "Grantees that receive funding from the  
33 Agency, such as Skills Development Fund, Wagner-Peyser 7(b), and [Workforce  
34 Innovation and Opportunity Act (WIOA)] to provide workforce services." IRAPs meet  
35 this definition and thus are considered TWC grantees; as such, they must adhere to the  
36 applicable requirements set forth in Chapter 802.

37  
38 **PART III. IMPACT STATEMENTS**

39 Chris Nelson, Chief Financial Officer, has determined that for each year of the first five  
40 years the rules will be in effect, the following statements will apply:

41  
42 There are no additional estimated costs to the state and to local governments expected as  
43 a result of enforcing or administering the rules.

44  
45 There are no estimated cost reductions to the state and to local governments as a result of  
46 enforcing or administering the rules.

1  
2 There are no estimated losses or increases in revenue to the state or to local governments  
3 as a result of enforcing or administering the rules.

4  
5 There are no foreseeable implications relating to costs or revenue of the state or local  
6 governments as a result of enforcing or administering the rules.

7  
8 There are no anticipated economic costs to individuals required to comply with the rules.

9  
10 There is no anticipated adverse economic impact on small businesses, microbusinesses,  
11 or rural communities as a result of enforcing or administering the rules.

12  
13 Based on the analyses required by Texas Government Code, §2001.024, TWC has  
14 determined that the requirement to repeal or amend a rule, as required by Texas  
15 Government Code, §2001.0045, does not apply to this rulemaking.

16  
17 Takings Impact Assessment

18 Under Texas Government Code, §2007.002(5), "taking" means a governmental action  
19 that affects private real property, in whole or in part or temporarily or permanently, in a  
20 manner that requires the governmental entity to compensate the private real property  
21 owner as provided by the Fifth and Fourteenth Amendments to the United States  
22 Constitution or the Texas Constitution, §17 or §19, Article I, or restricts or limits the  
23 owner's right to the property that would otherwise exist in the absence of the  
24 governmental action, and is the producing cause of a reduction of at least 25 percent in  
25 the market value of the affected private real property, determined by comparing the  
26 market value of the property as if the governmental action is not in effect and the market  
27 value of the property determined as if the governmental action is in effect. The  
28 Commission completed a Takings Impact Analysis for the proposed rulemaking action  
29 under Texas Government Code, §2007.043. The primary purpose of this proposed  
30 rulemaking action, as discussed elsewhere in this preamble, is to implement the  
31 provisions of HB 2784 relating to IRAPGP, which is to address Texas' immediate  
32 industrial workforce needs resulting from the impact of hurricanes, other natural  
33 disasters, and overall workforce shortages.

34  
35 The proposed rulemaking action will not create any additional burden on private real  
36 property. The proposed rulemaking action will not affect private real property in a  
37 manner that would require compensation to private real property owners under the United  
38 States Constitution or the Texas Constitution. The proposal also will not affect private  
39 real property in a manner that restricts or limits an owner's right to the property that  
40 would otherwise exist in the absence of the governmental action. Therefore, the proposed  
41 rulemaking will not cause a taking under Texas Government Code, Chapter 2007.

42  
43 Government Growth Impact Statement

44 TWC has determined that during the first five years the new rules will be in effect:  
45 --the new rules will not create or eliminate a government program;

- 1 --implementation of the new rules will not require the creation or elimination of
- 2 employee positions;
- 3 --implementation of the new rules will not require an increase or decrease in future
- 4 legislative appropriations to TWC;
- 5 --the new rules will not require an increase or decrease in fees paid to TWC;
- 6 --the new rules will not create a new regulation;
- 7 --the new rules will not expand, limit, or eliminate an existing regulation;
- 8 --the new rules will not change the number of individuals subject to the new rules; and
- 9 --the new rules will not positively or adversely affect the state's economy.

10  
11 Economic Impact Statement and Regulatory Flexibility Analysis

12 TWC has determined that the rules will not have an adverse economic impact on small  
13 businesses or rural communities, as the proposed rules place no requirements on small  
14 businesses or rural communities.

15  
16 Mariana Vega, Director, Labor Market and Career Information, has determined that there  
17 is no significant negative impact upon employment conditions in the state as a result of  
18 the rules.

19  
20 Courtney Arbour, Director, Workforce Development Division, has determined that for  
21 each year of the first five years the rules are in effect, the public benefit anticipated as a  
22 result of enforcing the proposed rules will be to implement the provisions of HB 2784  
23 relating to IRAPGP, which is to address Texas' immediate industrial workforce needs  
24 resulting from the impact of hurricanes, other natural disasters, and overall workforce  
25 shortages.

26  
27 TWC hereby certifies that the proposal has been reviewed by legal counsel and found to  
28 be within TWC's legal authority to adopt.

29  
30 **PART IV. COORDINATION ACTIVITIES**

31 In the development of these rules for publication and public comment, TWC sought the  
32 involvement of Texas' 28 Local Workforce Development Boards (Boards). TWC  
33 provided the concept paper regarding these new rules to the Boards for consideration and  
34 review on June 23, 2020. TWC also conducted a conference call with Board executive  
35 directors and Board staff on June 26, 2020, to discuss the concept paper. During the  
36 rulemaking process, TWC considered all information gathered in order to develop rules  
37 that provide clear and concise direction to all parties involved.

38  
39 Comments on the proposed rules may be submitted to  
40 [TWCPolicyComments@twc.state.tx.us](mailto:TWCPolicyComments@twc.state.tx.us). Comments must be received no later than 30  
41 days from the date this proposal is published in the *Texas Register*.

42  
43 The new rules are proposed under Texas Labor Code §301.0015 and §302.002(d), which  
44 provide TWC with the authority to adopt, amend, or repeal such rules as it deems  
45 necessary for the effective administration of TWC services and activities.

1 The new rules affect Title 4, Texas Labor Code, particularly Chapters 301 and 302.



1                   **CHAPTER 838. TEXAS INDUSTRY-RECOGNIZED APPRENTICESHIP**  
2                   **PROGRAMS GRANT PROGRAM**

3  
4                   **SUBCHAPTER A. GENERAL PURPOSE AND DEFINITIONS**

5  
6                   **§838.1. Scope and Purpose.**

7  
8                   (a) Purpose. The purpose of this chapter is to implement the provisions of Texas  
9                   Labor Code, Chapter 302, related to the Texas Industry-Recognized  
10                   Apprenticeship Programs Grant Program. These rules may be cited as the  
11                   industry-recognized apprenticeship program (IRAP) fund rules.

12  
13                   (b) Goal. The goal of the IRAP fund is to address Texas' immediate industrial  
14                   workforce needs resulting from the impact of hurricanes, other natural  
15                   disasters, and overall workforce shortages.

16  
17                   **§838.2. Definitions.**

18  
19                   The following words and terms, when used in this chapter, shall have the  
20                   following meanings, unless the context clearly indicates otherwise.

21  
22                   (1) Grant Recipient--An eligible grant recipient within Texas that is  
23                   awarded industry-recognized apprenticeship funds by the Agency. Grant  
24                   recipients must cooperate and comply with all contract requirements and  
25                   Agency monitoring activities, as required by Chapter 802, Subchapter D  
26                   of this title (relating to Agency Monitoring Activities).

27  
28                   (2) Eligible Grant Recipient--An entity, as specified in state and federal law,  
29                   that is eligible to receive IRAP funding. Eligible grant recipients  
30                   include, but are not limited to, the following:

31  
32                   (A) Trade and industry groups

33  
34                   (B) Corporations

35  
36                   (C) Nonprofit organizations

37  
38                   (D) Educational institutions

39  
40                   (E) Unions

41  
42                   (F) Joint labor-management organizations

43  
44                   (3) Industry-Recognized Apprenticeship Program--A training program that:

45  
46                   (A) provides on-the-job training, preparatory instruction,  
47                   supplementary instruction, or related instruction in an occupation

1 that has been recognized as an apprenticeable occupation by the  
2 US Department of Labor (DOL); or

3  
4 (B) is certified as an IRAP by a third-party certifier that has received a  
5 DOL favorable determination of qualification to award that  
6 certification.

7  
8 (4) Participant--An individual training in an IRAP under an apprenticeship  
9 agreement who:

10  
11 (A) is a full-time paid worker, receiving benefits and employed in the  
12 private sector during training;

13  
14 (B) maintains suitable employment for at least 12 consecutive months  
15 immediately following completion of the training program; and

16  
17 (C) receives related instructional training to learn a skill in a certified  
18 apprenticeable occupation that advances his or her skills to a  
19 credentialed, performance-verified mid-level status in the  
20 occupation, as identified by the Agency.

21  
22 (5) Standards Recognition Entity (third-party certifier)--An entity that is  
23 qualified to recognize an apprenticeship program as an IRAP and that is  
24 recognized by DOL.

## 25 26 **SUBCHAPTER B. GRANT PROGRAM**

### 27 28 **§838.11. General Statement of Purpose.**

29  
30 In accordance with Texas Labor Code, Chapter 302, the Agency establishes the  
31 IRAP Grant Program, which shall be administered pursuant to Texas Labor Code,  
32 Chapter 302, and the rules in this chapter to award grants from the IRAP fund to  
33 encourage the private sector to develop specialized IRAPs in Texas that meet the  
34 requirements of Texas Labor Code, §302.255.

### 35 36 **§838.12. Notice of Grant Availability and Application.**

37  
38 (a) From time to time, the Agency may publish a Notice of Availability (NOA)  
39 of grant funds under this chapter. The notice shall be published in the *Texas*  
40 *Register* and on the Agency's website. In addition to the respective purpose  
41 for each grant program under this chapter, the notice may include:

42  
43 (1) the total amount of grant funds available for the award;

44  
45 (2) the geographical local workforce development areas (workforce areas)  
46 eligible;

- 1
- 2 (3) the specific industries or occupations targeted;
- 3
- 4 (4) the maximum number of grants to be awarded;
- 5
- 6 (5) the special populations to be served;
- 7
- 8 (6) the application process and requirements; and
- 9
- 10 (7) any other grant requirements necessary and appropriate for awarding
- 11 grants in addition to those set forth in this chapter.
- 12

13 (b) To be eligible for a grant award, an applicant meeting the eligibility criteria  
14 identified in the NOA shall submit an application in the form and manner as  
15 prescribed by the Agency in the NOA.

16

17 (c) The Agency may request additional information at any time before the grant  
18 award in order to effectively evaluate any application.

19

20 **§838.13. Eligible Applicants.**

21

22 (a) Eligible grant recipients are the entities eligible to apply to the Agency for  
23 IRAP funding.

24

25 (b) Approved grant recipients shall:

26

27 (1) be the fiscal agents for the funds and are subject to the annual report  
28 procedures set forth in Texas Labor Code, §302.258;

29

30 (2) apply to the Agency in the form and manner prescribed by the NOA;

31

32 (3) be in good standing under the laws of the state, as evidenced by a  
33 certificate issued by the secretary of state;

34

35 (4) not owe delinquent taxes to a taxing unit of Texas; and

36

37 (5) operate a certified IRAP that:

38

39 (A) provides on-the-job training under an industry-recognized,  
40 accredited training curriculum;

41

42 (B) guarantees employment to participants during and upon  
43 successful completion of the training period;

44

45 (C) pays each participant a progressive wage and provides eligibility  
46 for participants to receive full-time employee benefits during and

1 upon successful completion of the training period, equal to or  
2 above the impacted workforce area's self-sufficiency wage;

3  
4 (D) requires participants to advance their skills, at a minimum, to a  
5 credentialed, performance-verified mid-level status in a field  
6 related to the IRAP;

7  
8 (E) has a duration of no longer than 26 weeks; and

9  
10 (F) gives preference to training and hiring:

11  
12 (i) unemployed Texans who have registered with the Agency;

13  
14 (ii) veterans of the United States armed forces;

15  
16 (iii) formerly incarcerated individuals; and

17  
18 (iv) underemployed individuals who are working without  
19 industry-recognized certifications or other credentials.

20  
21 **§838.14. Funding Qualifications for Industry-Recognized Apprenticeship**  
22 **Programs.**

23  
24 (a) To qualify for funding, each IRAP shall meet the requirements listed in  
25 §838.13 of this chapter (relating to Eligible Applicants).

26  
27 (b) The IRAP must meet the definition prescribed in §838.2(3) of this chapter  
28 (relating to Definitions).

29  
30 (c) Each IRAP shall provide the Agency with a validated copy of its written  
31 training plan or recognition certificate as approved by the third-party  
32 certifier.

33  
34 (d) A funded IRAP must comply with Agency rules and Texas Labor Code,  
35 Chapter 302.

36  
37 **SUBCHAPTER C. PROGRAM ADMINISTRATION**

38  
39 **§838.21. Grants for Industry-Recognized Apprenticeship Programs.**

40  
41 (a) Grants received under this subchapter may be used to:

42  
43 (1) reimburse an eligible grant recipient for costs incurred while training a  
44 participant who:

1                   (A) completes a program operated by the grant recipient and achieves  
2                   the required skill level set forth in Texas Labor Code  
3                   §302.255(4)(D); and

4  
5                   (B) maintains suitable employment for at least 12 consecutive  
6                   months immediately following completion of the program;

7  
8                   (2) be awarded on an IRAP-participant basis; and

9  
10                  (3) not exceed the lesser of:

11  
12                   (A) the total cost for training the participant, excluding wages and  
13                   benefits; or

14  
15                   (B) \$10,000.

16  
17                  (b) In awarding a grant under this subchapter, the Agency may consider:

18  
19                   (1) anticipated economic value to the state upon participants' program  
20                   completion;

21  
22                   (2) increased tax revenue generated by participants' wages; and

23  
24                   (3) the decrease in participants' use of state-funded benefits, attributable to  
25                   the participants' job placements and earning projections.

26  
27                  **§838.22. Program Objectives.**

28  
29                  The following are the program objectives in administering the IRAP fund:

30  
31                   (1) To ensure that funds from the program are spent in workforce areas  
32                   that are impacted by hurricanes and other natural disasters and to  
33                   respond to immediate workforce needs and overall workforce  
34                   shortages;

35  
36                   (2) To encourage the private sector to develop specialized IRAPs in  
37                   Texas;

38  
39                   (3) To develop projects that, at completion of the training, will result in  
40                   wages equal to or greater than the mid-level status of the  
41                   apprenticeable occupation related to that IRAP; and

42  
43                   (4) To sponsor the attraction of advancing participant skills, at a  
44                   minimum, to obtaining an industry credential in the related field of the  
45                   IRAP.

1 **§838.23. Administrative Costs Limitation.**

2  
3 Costs that are allowable, necessary, and reasonably incurred by a grant recipient  
4 to properly administer and manage the funds, such as salaries for grant recipient  
5 staff and administrative supplies, are considered administrative costs.  
6 Administrative costs may not exceed 10 percent of the total grant award.  
7

8 **§838.24. Performance.**

9  
10 The Agency may:

- 11  
12 (1) develop and adopt annual performance measures and targets for  
13 IRAPs; and  
14  
15 (2) consider past performance of IRAPs in determining eligibility for  
16 funding.  
17

18 **SUBCHAPTER D. COMPLIANCE**

19  
20 **§838.31. Funds Management and Accountability.**

21  
22 Grant recipients shall comply with the applicable rules in Chapter 802 of this title  
23 (relating to Integrity of the Texas Workforce System), specifically:  
24

- 25 (1) Chapter 802, Subchapter D of this title (relating to Agency Monitoring  
26 Activities);  
27  
28 (2) Chapter 802, Subchapter F of this title (relating to Performance and  
29 Accountability);  
30  
31 (3) Chapter 802, Subchapter G of this title (relating to Corrective  
32 Actions); and  
33  
34 (4) Chapter 802, Subchapter H of this title (relating to Remedies).