

**Texas Workforce Commission**  
**2024-25 Exceptional Item Request Summary as of**  
**August 16, 2022**

<b>Exceptional Item Requests</b>			
<b>Pre-apprenticeship Career Pathways (Commissioner Alvarez)</b>			
	<b>Exceptional Item 2024</b>	<b>Exceptional Item 2025</b>	<b>Total</b>
<b>Cost:</b>	\$2,500,000	\$5,000,000	\$7,500,000
<b>FTE's</b>	-	-	-
<b>Customers Served:</b>	865	1,731	2,596
<b>Object of Expense:</b>	L4000 Grants		
<b>Project Benefits:</b>	<p>Texas Education Code Chapter 133 statute allows for pre-apprenticeship training leading to related classroom training for apprentices. Apprentices are full time paid employees in the private sector, impacting not only the apprentice's life but the Texas economy. Pre-apprenticeship places both youth and adults on a career pathway with built in advancement to salaries in excess of \$60,000 annually.</p> <p>Pre-apprenticeship can be key in preparing both youth and adults for highly skilled, highly paid careers in a wide variety of industries and their apprenticeable occupations. Pre-apprenticeship programs provide students with stackable credentials upon completion which allows them to continue studies at a community college setting or Registered Apprenticeship training program.</p> <p>This initiative will support the higher education goals of Texas 60x30 and the TriAgency work by ensuring that 60% of Texans between the ages of 25-34 attain certificates or degrees by 2030, ensure students graduate with marketable skills and minimal student loan debt.</p>		

<b>Industry Recognized Apprenticeships (IRAP) (Chairman Daniel)</b>			
	<b>Exceptional Item 2024</b>	<b>Exceptional Item 2025</b>	<b>Total</b>
<b>Cost:</b>	\$20,000,000	\$20,000,000	\$40,000,000
<b>FTE's</b>	2	2	4
<b>Customers Served:</b>	2,533	2,533	5,066
<b>Object of Expense:</b>	L4000 Grants, L1001 Salaries		
<b>Project Benefits:</b>	<p>House Bill (HB) 2784, 86th Texas Legislative Session, established the Texas Industry-Recognized Apprenticeship Programs (IRAPs) Grant Program. In December 2020, Texas Workforce Commission (TWC) established rules for the grant program in Texas Administrative Code (TAC), Chapter 838. Because funds were not appropriated specifically for the grant program, TWC has not been able to implement.</p> <p>Given the continued interest in and growth of the apprenticeship training model, TWC sees opportunities to support the growth of this "earn while you learn" training model and to encourage the development of specialized IRAPs in Texas. With these opportunities identified, TWC requests \$40M for the 2024-2025 biennium (\$20M per year) for implementation of the IRAPs Grant Program.</p> <p>If appropriated funds, TWC will:</p> <ul style="list-style-type: none"> <li>• implement the grant program to address any immediate workforce needs resulting from <ul style="list-style-type: none"> <li>– hurricanes or other natural disasters and</li> <li>– overall workforce shortages; and</li> </ul> </li> <li>• periodically publish notices of availability (NOAs) of grant funds on the Texas Register and on the TWC website. The NOAs will follow guidelines established TAC Chapter 838.</li> </ul> <p>Grantees will be reimbursed for costs incurred while training participant(s). The reimbursements will not exceed (1) the lesser of the total cost for training the participant (excluding wages and benefits) or (2) \$10,000 per participant.</p>		

Exceptional Item Requests			
Jobs for Education and Texas (JET) (Chairman Daniel)			
	Exceptional Item 2024	Exceptional Item 2025	Total
<b>Cost:</b>	\$7,500,000	\$7,500,000	\$15,000,000
<b>FTE's</b>	-	-	-
<b>Customers Served:</b>	3,003	3,003	6,006
<b>Object of Expense:</b>	L4000 Grants		
<b>Project Benefits:</b>	<p>The Jobs and Education for Texans (JET) program awards funds to public junior colleges, public technical institutes, public state colleges, school districts, and open-enrollment charter schools to purchase and install equipment necessary for the development of career and technical education (CTE) courses or programs that lead to a license, certificate, or post-secondary degree in a high-demand occupation.</p> <p>CTE programs offer students the ability to learn hands-on skills that lead to industry recognized certifications. As employer demand for skilled workers increases in Texas, many colleges and school districts are interested in expanding their available CTE programs to ensure the communities they serve have an adequate talent pipeline. This is especially true in areas of the state with new industries or rapid business growth.</p> <p>HB 1525 from the 87th Legislature directed the Texas Education Agency to provide additional funding to JET. In FY 2022, through this partnership with TEA, TWC was able to increase the available grant funds to more than \$55 million. In response, the agency received 255 responses to the JET Requests of Applications, totaling more than \$83 million in requested funding. As a result of the applications funded in FY 2022, it is expected that approximately 18,600 students will receive training and certifications in the first year alone. Additional students will receive training over the life of the equipment. All available funds were awarded and nearly 30 qualifying applications benefitting more than 4,100 students could not be funded.</p> <p>With an additional \$7.5 million be available in the next biennium, it is estimated an additional 33 grant awards could be made annually and an additional 6,000 students per year would benefit from the new or expanded programs.</p>		

Civil Rights (Staff Recommended)			
	Exceptional Item 2024	Exceptional Item 2025	Total
<b>Cost:</b>	\$325,000	\$325,000	\$650,000
<b>FTE's</b>	6	6	-
<b>Customers Served:</b>	839	839	1,678
<b>Object of Expense:</b>	L1001 Salaries		
<b>Project Benefits:</b>	<p>The Civil Rights Division (CRD) enforces the Texas Commission on Human Rights Act (TCHRA). TCHRA prohibits employment discrimination based on race, color, religion, sex, age, national origin, disability, and retaliation. This is currently carried out with state general revenue and federal matching funds. TWC currently has a backlog of over 1,000 cases of EEO complaints. An Exceptional Item of \$650,000 would allow TWC to hire 6 additional FTE's to remove the backlog and close EEO cases timely into the future.</p>		

Child Care (Staff Recommended)			
	Exceptional Item 2024	Exceptional Item 2025	Total
<b>Cost:</b>	-	\$35,000,000	\$35,000,000
<b>FTE's</b>	-	-	-
<b>Customers Served:</b>	-	13,183	13,183
<b>Object of Expense:</b>	L4000 Grants		
<b>Project Benefits:</b>	<p>TWC Mandatory Child Care was permanently increased approximately \$52M of federal matching funds per year beginning in 2021. TWC projects to have sufficient match available in FY 2023-2024 to draw the additional \$52M. As TWC works to maintain number of children served through 2025, we have determined that we need additional funds to draw down the \$52M of federal child care match dollars in 2025. TWC expects the number of children served to decrease after 2025.</p>		

Skills (Commissioner Alvarez)			
	Exceptional Item 2024	Exceptional Item 2025	Total
<b>Cost:</b>	\$25,000,000	\$25,000,000	\$50,000,000
<b>FTE's</b>	-	-	-
<b>Customers Served:</b>	12,500	12,500	25,000
<b>Object of Expense:</b>	L4000 Grants		

### Exceptional Item Requests

**Project Benefits:** Skills Development is funded by state general revenue funding. In last biennium the state legislature funded Skills at \$54,804,331 million (2022 \$27,347,538 and 2023 \$27,456,793). TWC requests an additional \$50 million in General Revenue funding to support SDF and Dual Credit grant programs.