

## **Texas Industry Recognized Apprenticeship Grant Program**

**Proposed Funding Source:** WIOA Statewide Commission Reserve

**Funding Request:** \$500,000 for two years= \$1M

### **Background:**

During the 86<sup>th</sup> Regular Texas Legislative Session, 2019, House Bill 2784 created the Texas Industry Recognized Apprenticeship Grant Program. This grant program is intended to support certain apprenticeship programs that provide on-the-job training, preparatory instruction, supplementary instruction, or related instruction in an occupation that has been recognized as an apprenticeable occupation by DOL.

Industry-Recognized Apprenticeship Programs, or IRAPs, are designated by third-party certifiers known as Standard Recognition Entities, or SREs. TWC was named an SRE in September 2020.

### **Proposal:**

- Support a flexible, market-based employment and training model that creates or expands apprenticeships in emerging, high-growth sectors while also reaching underserved populations.
- Encourage and support private sector employers in developing or expanding Industry Recognized Apprenticeship Programs (IRAPs) to address Texas's immediate workforce shortages resulting from (1) the residual impact of Covid-19 and (2) Texas's strong economic growth.
- Assist industry by creating apprenticeship training programs designed to provide the skills workers need to compete in a global economy.
- Promote the growth of high-quality, sustainable jobs for the Texas workforce by establishing apprenticeship pathways that address the varying needs of different industries seeking to address the skills gap in the labor force.

Staff will be charged with administering a Texas IRAPs Grant program as detailed in Texas Administrative Code Chapter 838. Key elements of the grant include the following:

- The grant funding received may be used to reimburse an eligible grant recipient for costs incurred while training a participant who:
  - 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
  - maintains suitable employment for at least 12 consecutive months immediately following completion of the program.
- The cost per participant may not exceed the lesser of the cost of training the participant, excluding wages and benefits, or \$10,000.

- Eligible grant recipients include, but are not limited to, the following:
  - Trade and industry groups
  - Corporations
  - Nonprofit organizations
  - Educational institutions
  - Unions
  - Joint labor-management organizations
  
- Approved Grant Recipients shall operate a certified IRAP that:
  - provides on-the-job training under an industry-recognized, accredited training curriculum;
  - guarantees employment to participants during and upon successful completion of the training period;
  - 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 workforce area's self-sufficiency wage;
  - requires participants to advance their skills, at a minimum, to a credentialed, performance-verified mid-level status in a field related to the IRAP;
  - has a duration of no longer than 26 weeks; and
  - gives preference to hiring:
    - unemployed Texans who have registered with the agency,
    - veterans of the U.S. armed forces,
    - formerly incarcerated individuals, and
    - unemployed individuals who are working without industry recognized credentials or other credentials.