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1 **CHAPTER 838. TEXAS INDUSTRY-RECOGNIZED APPRENTICESHIP PROGRAMS**
2 **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 Labor
9 Code, Chapter 302, related to the Texas Industry-Recognized Apprenticeship
10 Programs Grant Program. These rules may be cited as the industry-recognized
11 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 disasters, and
15 overall workforce shortages.
16

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20
21 **§838.2. Definitions.**

22
23 The following words and terms, when used in this chapter, shall have the following
24 meanings, unless the context clearly indicates otherwise.
25

- 26 (1) Grant Recipient--An eligible grant recipient within Texas that is awarded
27 industry-recognized apprenticeship funds by the Agency. Grant recipients must
28 cooperate and comply with all contract requirements and Agency monitoring
29 activities, as required by Chapter 802, Subchapter D of this title (relating to
30 Agency Monitoring Activities).
31
32 (2) Eligible Grant Recipient--An entity, as specified in state and federal law, that is
33 eligible to receive IRAP funding. Eligible grant recipients include, but are not
34 limited to, the following:
35
36 (A) Trade and industry groups
37
38 (B) Corporations
39
40 (C) Nonprofit organizations
41
42 (D) Educational institutions
43
44 (E) Unions
45
46 (F) Joint labor-management organizations

- 1
2 (3) Industry-Recognized Apprenticeship Program--A training program that:
3
4 (A) provides on-the-job training, preparatory instruction, supplementary
5 instruction, or related instruction in an occupation that has been
6 recognized as an apprenticeable occupation by the US Department of
7 Labor (DOL); or
8
9 (B) is certified as an IRAP by a third-party certifier that has received a DOL
10 favorable determination of qualification to award that certification.
11
12 (4) Participant--An individual training in an IRAP under an apprenticeship
13 agreement who:
14
15 (A) is a full-time paid worker, receiving benefits and employed in the private
16 sector during training;
17
18 (B) maintains suitable employment for at least 12 consecutive months
19 immediately following completion of the training program; and
20
21 (C) receives related instructional training to learn a skill in a certified
22 apprenticeable occupation that advances his or her skills to a credentialed,
23 performance-verified mid-level status in the occupation, as identified by
24 the Agency.
25
26 (5) Standards Recognition Entity (third-party certifier)--An entity that is qualified
27 to recognize an apprenticeship program as an IRAP and that is recognized by
28 DOL.

29
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33 34 **SUBCHAPTER B. GRANT PROGRAM**

35 36 **§838.11. General Statement of Purpose.**

37
38 In accordance with Texas Labor Code, Chapter 302, the Agency establishes the IRAP
39 Grant Program, which shall be administered pursuant to Texas Labor Code, Chapter 302,
40 and the rules in this chapter to award grants from the IRAP fund to encourage the private
41 sector to develop specialized IRAPs in Texas that meet the requirements of Texas Labor
42 Code, §302.255.

43
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2 **§838.12. Notice of Grant Availability and Application.**
3

- 4 (a) From time to time, the Agency may publish a Notice of Availability (NOA) of grant
5 funds under this chapter. The notice shall be published in the *Texas Register* and on
6 the Agency's website. In addition to the respective purpose for each grant program
7 under this chapter, the notice may include:
8
9 (1) the total amount of grant funds available for the award;
10
11 (2) the geographical local workforce development areas (workforce areas)
12 eligible;
13
14 (3) the specific industries or occupations targeted;
15
16 (4) the maximum number of grants to be awarded;
17
18 (5) the special populations to be served;
19
20 (6) the application process and requirements; and
21
22 (7) any other grant requirements necessary and appropriate for awarding grants in
23 addition to those set forth in this chapter.
24
25 (b) To be eligible for a grant award, an applicant meeting the eligibility criteria
26 identified in the NOA shall submit an application in the form and manner as
27 prescribed by the Agency in the NOA.
28
29 (c) The Agency may request additional information at any time before the grant award
30 in order to effectively evaluate any application.
31

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36 **§838.13. Eligible Applicants.**
37

- 38 (a) Eligible grant recipients are the entities eligible to apply to the Agency for IRAP
39 funding.
40
41 (b) Approved grant recipients shall:
42
43 (1) be the fiscal agents for the funds and are subject to the annual report
44 procedures set forth in Texas Labor Code, §302.258;
45
46 (2) apply to the Agency in the form and manner prescribed by the NOA;

- 1
2 (3) be in good standing under the laws of the state, as evidenced by a certificate
3 issued by the secretary of state;
4
5 (4) not owe delinquent taxes to a taxing unit of Texas; and
6
7 (5) operate a certified IRAP that:
8
9 (A) provides on-the-job training under an industry-recognized, accredited
10 training curriculum;
11
12 (B) guarantees employment to participants during and upon successful
13 completion of the training period;
14
15 (C) pays each participant a progressive wage and provides eligibility for
16 participants to receive full-time employee benefits during and upon
17 successful completion of the training period, equal to or above the
18 impacted workforce area's self-sufficiency wage;
19
20 (D) requires participants to advance their skills, at a minimum, to a
21 credentialed, performance-verified mid-level status in a field related to
22 the IRAP;
23
24 (E) has a duration of no longer than 26 weeks; and
25
26 (F) gives preference to training and hiring:
27
28 (i) unemployed Texans who have registered with the Agency;
29
30 (ii) veterans of the United States armed forces;
31
32 (iii) formerly incarcerated individuals; and
33
34 (iv) underemployed individuals who are working without industry-
35 recognized certifications or other credentials.
36

37 *The provisions of this §838.13 adopted to be effective December 28, 2020, 45 TexReg 9573*
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40

41 **§838.14. Funding Qualifications for Industry-Recognized Apprenticeship Programs.**
42

- 43 (a) To qualify for funding, each IRAP shall meet the requirements listed in §838.13 of
44 this chapter (relating to Eligible Applicants).
45

- 1 (b) The IRAP must meet the definition prescribed in §838.2(3) of this chapter (relating
2 to Definitions).
3
4 (c) Each IRAP shall provide the Agency with a validated copy of its written training
5 plan or recognition certificate as approved by the third-party certifier.
6
7 (d) A funded IRAP must comply with Agency rules and Texas Labor Code, Chapter
8 302.
9

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13
14 **SUBCHAPTER C. PROGRAM ADMINISTRATION**

15
16 **§838.21. Grants for Industry-Recognized Apprenticeship Programs.**

- 17
18 (a) Grants received under this subchapter may be used to:
19
20 (1) reimburse an eligible grant recipient for costs incurred while training a
21 participant who:
22
23 (A) completes a program operated by the grant recipient and achieves the
24 required skill level set forth in Texas Labor Code §302.255(4)(D); and
25
26 (B) maintains suitable employment for at least 12 consecutive months
27 immediately following completion of the program;
28
29 (2) be awarded on an IRAP-participant basis; and
30
31 (3) not exceed the lesser of:
32
33 (A) the total cost for training the participant, excluding wages and benefits;
34 or
35
36 (B) \$10,000.
37
38 (b) In awarding a grant under this subchapter, the Agency may consider:
39
40 (1) anticipated economic value to the state upon participants' program
41 completion;
42
43 (2) increased tax revenue generated by participants' wages; and
44
45 (3) the decrease in participants' use of state-funded benefits, attributable to the
46 participants' job placements and earning projections.

1
2 *The provisions of this §838.21 adopted to be effective December 28, 2020, 45 TexReg 9573*

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5
6 **§838.22. Program Objectives.**

7
8 The following are the program objectives in administering the IRAP fund:

- 9
10 (1) To ensure that funds from the program are spent in workforce areas that are
11 impacted by hurricanes and other natural disasters and to respond to
12 immediate workforce needs and overall workforce shortages;
13
14 (2) To encourage the private sector to develop specialized IRAPs in Texas;
15
16 (3) To develop projects that, at completion of the training, will result in wages
17 equal to or greater than the mid-level status of the apprenticeable occupation
18 related to that IRAP; and
19
20 (4) To sponsor the attraction of advancing participant skills, at a minimum, to
21 obtaining an industry credential in the related field of the IRAP.
22

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26
27 **§838.23. Administrative Costs Limitation.**

28
29 Costs that are allowable, necessary, and reasonably incurred by a grant recipient to
30 properly administer and manage the funds, such as salaries for grant recipient staff and
31 administrative supplies, are considered administrative costs. Administrative costs may
32 not exceed 10 percent of the total grant award.
33

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37
38 **§838.24. Performance.**

39
40 The Agency may:

- 41
42 (1) develop and adopt annual performance measures and targets for IRAPs; and
43
44 (2) consider past performance of IRAPs in determining eligibility for funding.
45

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3 **SUBCHAPTER D. COMPLIANCE**

4
5 **§838.31. Funds Management and Accountability.**

6
7 Grant recipients shall comply with the applicable rules in Chapter 802 of this title
8 (relating to Integrity of the Texas Workforce System), specifically:

- 9
10 (1) Chapter 802, Subchapter D of this title (relating to Agency Monitoring
11 Activities);
12
13 (2) Chapter 802, Subchapter F of this title (relating to Performance and
14 Accountability);
15
16 (3) Chapter 802, Subchapter G of this title (relating to Corrective Actions); and
17
18 (4) Chapter 802, Subchapter H of this title (relating to Remedies).

19
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