

## Establishing Industry-Recognized Apprenticeship Programs

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### Key Takeaways:

- Building apprenticeship program capacity can help establish a long-term workforce development tool that can be deployed in emergency situations, such as natural disasters.
- The Texas Industry-Recognized Apprenticeship Program was designed to meet workforce needs caused by emergency situations and overall workforce shortages, but it has not been fully implemented due to a lack of funding.
- There are not enough skilled Texans in the state's labor force to meet current labor needs of Texas employers.

### Background:

House Bill 2784 (86-R) established the Texas Industry-Recognized Apprenticeship Programs (IRAP) grant program. Designed to meet workforce needs in areas impacted by hurricanes and other natural disasters and overall workforce shortages, the IRAP program has not been fully implemented by the Texas Workforce Commission (TWC) due to a lack of funding. There are, however, an estimated 1.4 million Texans who do not qualify for middle skills jobs, which require some education or training past high school but not a bachelor's degree. Given that middle skills jobs comprise a majority of Texas jobs, together with a tight labor market with low unemployment rates, the IRAP program can help in-demand skills to Texans while directly connecting them to employers with available jobs.

### Proposed Action:

Texas 2036 supports adoption of TWC's exceptional item request item #5, Industry Recognized Apprenticeships, to establish and expand apprenticeship programs aligned with industry needs. Texas 2036 also supports authorization for 2 Full-Time Equivalent (FTE) positions requested by TWC for the IRAP program.

### Budget Cost Estimate:

TWC estimates this exceptional item to cost \$20 million over the biennium and includes 2 FTEs.

### Public Policy Impact:

Full implementation of the IRAP program will provide Texans with a paid opportunity to learn in-demand skills while simultaneously filling open positions. The IRAP program would also help build long-term capacity to address immediate workforce needs of communities impacted by natural disasters or other externalities causing workforce shortages, like the COVID-19 pandemic.