



**Texas Workforce Commission
Potential Training Incentives**

Training Incentives

Skills Development Fund

The Skills Development Fund, administered by the Texas Workforce Commission, supports businesses in Texas by partnering with Texas public community and technical colleges, or local workforce development boards to create and deploy customized job training. The average training benefit is \$2,000 per trainee but may vary depending on the proposal.

Eligible fund uses include:

- Tuition
- Curriculum development
- Instructor fees and
- Training materials
- Equipment (allowable for certain projects)

Apprenticeships

Apprenticeship is an earn-while-learn training model, combining full-time work under a highly experienced worker with related classroom training designed to provide knowledge to support the on-the-job learning. Apprenticeship programs range from 1 to 5 years in length. Companies may use the programs to find and keep talented workers with high skills. There is no limit to the number of apprentices per company who can participate in the program per year, if apprentices are employed as they receive training and related classroom instruction.

Registered Apprenticeships

The Texas Workforce Commission's (TWC) Office of Apprenticeship supports apprenticeship programs that help employers build their current and future talent. TWC deploys federal and state funding initiatives that support program creation and expansion, career readiness pathways, and job-related training.

TWC's Apprenticeship Outreach team assists employers with exploring various Registered Apprenticeship (RA) models, provide consultation on options to design and build RA programs, and facilitate the registration process with the U.S. Department of Labor (DOL). The average amount awarded per apprentice is \$2,000.

Texas Industry Recognized Apprenticeships

TWC funds apprenticeship programs to address Texas' immediate industrial workforce needs resulting from the impact of hurricanes, other natural disasters, and overall workforce shortages. The Texas Industry Recognized Apprenticeship (TIRA) program encourages businesses to develop specialized apprenticeships in the top 25 in-demand occupations, resulting in higher wages and attainment of industry credentials in the related occupation. Individual awards may not exceed \$500,000 and the cost per participant cannot exceed \$10,000. Funding is awarded on a first-come, first-served basis.

Talent Acquisition Benefits

Recruitment Services

Local Workforce Solutions offices offer free one-on-one services to employers, including recruiting, retention, and job training services. According to the Society for Human Resources Management's 2022 Talent Access Report, the average recruitment cost of a new hire in the Southern U.S. is \$4,847. Recruiting, pre-screening applicants, and performing employee assessments represent about 40% of the recruitment costs faced by employers. The cost savings associated with utilizing Workforce Solutions talent acquisition services is valued at \$1,938 per employee.

Note: Funding sources may include some restrictions and exclusions. Not all funding opportunities offered by TWC can be used concurrently. Incentive summaries will be based on job count assumptions. As additional project information is available, estimates can be refined to best meet the business's needs while adhering to program-specific requirements.

On-the-Job Training

Definition: Workforce Solutions can provide funds to defray an employer's cost of on-the-job training for those individuals that Workforce Solutions has sourced, screened for the employer's requirements, determined eligible for Workforce Solutions funds, and that the employer has hired as full-time employees. Employers are reimbursed 50% of the new hires' wages for up to 400 hours. The required minimum wage is \$12/hour and \$21/hour is the maximum wage for reimbursement.

Example for ROI = minimum reimbursement per trainee if 400 hours used at \$12/hour @ 50% is \$2,400. At the max rate of \$21/hour would yield a return of \$4,200.

Apprenticeship

Definition: Projects that train individuals through an approved Department of Labor apprenticeship system while employed. Apprenticeships have structured and federally approved curricula that has required on-the-job training and classroom education components toward skills milestones and scheduled pay increases.

Example of ROI= Scholarship opportunity per new trainee if eligible \$6,000.00. This will be provided for the classroom portion. The OJT portion for reimbursement for new hires eligible will be \$12.00/hour @ 75% is \$5,760. Reimbursement increases to 75%. This can be a total per eligible employee of \$11,760.00

Talent Acquisition

Definition: Our talented team of recruiters will provide a pipeline of talent through sourcing, recruiting and prescreen to find the right fit for your position. Through our Work in Texas system and multiple other resources, we will provide your future workforce. **Example of ROI =** (1 recruiter x \$304.00 per x 42 days an average time to fill = \$12,768)

Current Worker Training

Definition: Training for current workers of an employer. This can include skill training, skill upgrading, basic education or combinations. The employer chooses a provider or Workforce Solutions can help find a training provider for them. Cost is shared between the employer and Workforce solutions. Employer chooses who to train and 50% of the trainees must be employed at least 6 months with the company.

Example of ROI= Depending on company size, we will either match from 10% - 90% of training cost depending on the training and number of trainees.

Paid Work Experience

Definition: Comparable to a "Paid Internship" Paid work experience helps offset the cost of hiring a new employee that may lack skills or knowledge entering the workforce for the first time or after a long hiatus. It allows the employer to try the individual on a temp-to-hire basis before they commit to permanent employment. Workforce Solutions will help offset 100% of the employees' wages for up to 10 weeks and will serve as the employer of record. Standard hours per week is 29.

Example of ROI = New hire that is eligible at 10.00/hour for 10 weeks (290 hours) = \$2,900.00.

ON-THE-JOB TRAINING

What is On the Job Training?

- The hiring of an individual who needs additional training and/or skills to adequately perform the task the new position entails.
- Provides the employer 50% reimbursement for the new hires hourly wages during the duration of training, for up to 400 hours.
- If combined with a Registered Apprenticeship, a 75% reimbursement rate and up to 640 hours may be approved.

Who is Workforce Solutions?

Workforce Solutions is the public workforce system in the Houston Galveston region. We help employers build a strong workforce and people build careers. We're here to help you find qualified candidates that are trained and are equipped with the right skills to fill your position.

Which Employers are Eligible?

1. Does the employer have immediate job openings?
2. Does the employer have at least 3 W-2 employees?
3. Does the position pay at least \$12.00/hour?
4. Does the employer offer training?
5. Is the opening for 30 hours or more a week?
6. Is the position a non-seasonal/ permanent position?

If all questions were answered "YES" then this could be a viable OJT employer!

Employer Responsibilities:

1. To consider OJT employees as regular employees, entitled to all benefits per employer policy as required by the state or federal law.
2. Maintain communication with OJT representative with the hiring of the individual, prior to or immediately upon termination of employment.
3. To provide at least monthly feedback on the employees training progress.

What's Next?

1. Employer completes the OJT Eligibility Questionnaire
2. Once approved, develop a job description and eventually a training plan that outlines the training that will be conducted. (OJT Training Consultants will help with Training Plan Outline)
3. OJT recruiters will contact the employer to get final details on hiring needs and will begin sourcing, prescreening and recruiting candidates based on the job description and the skills and qualifications the employer has set.
4. Employer Interviews and selects the individual they wish to hire.

How are Employers Reimbursed?

- Employers are reimbursed at 50% of hourly wages intermittently throughout the training (75% with a Registered Apprenticeship for up to 640 hours) with:
1. Employer providing payroll documentation such as paystubs or payroll summary that summarizes total hours worked and the hourly wage during training period.
 2. An evaluation of the participant's progress according to the training objectives.
 3. Reimbursements are done monthly or employer can decide to do them at the end of the training.

For more information please e-mail: Talent@wrksolutions.com