

1 **CHAPTER 803. SKILLS DEVELOPMENT FUND**

2  
3 **ADOPTED RULES TO BE PUBLISHED IN THE *TEXAS REGISTER*. THIS**  
4 **DOCUMENT WILL HAVE NO SUBSTANTIVE CHANGES BUT IS SUBJECT TO**  
5 **FORMATTING CHANGES AS REQUIRED BY THE OFFICE OF THE SECRETARY**  
6 **OF STATE.**

7  
8 **ON NOVEMBER 7, 2022**, THE TEXAS WORKFORCE COMMISSION ADOPTED THE  
9 RULES BELOW WITH PREAMBLE TO BE SUBMITTED TO THE *TEXAS REGISTER*.

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11 Publication Date of the Adoption in the *Texas Register*: **November 25, 2022**

12 The Rules are Effective: **November 28, 2022**

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14 The Texas Workforce Commission (TWC) adopts amendments to the following section of  
15 Chapter 803, relating to the Skills Development Fund:

16  
17 Subchapter B. Program Administration, §803.14

18  
19 The amendment is adopted *without changes* to the proposed text as published in the September 9,  
20 2022, issue of the *Texas Register* (47 TexReg 5466), and, therefore, the adopted rule text will not  
21 be published.

22  
23 **PART I. PURPOSE, BACKGROUND, AND AUTHORITY**

24 The amendment to Chapter 803 is adopted to streamline the grant proposal and approval process.

25  
26 In Fiscal Year 2021, TWC implemented Skills Development Fund (SDF) Contingent Proposals  
27 to respond quickly and to effectively assist in the COVID-19 recovery effort by helping Texas  
28 employers, including small businesses, to train and hire employees while simultaneously aiding  
29 Texas workers in regaining employment and reducing the number of individuals depending on  
30 unemployment assistance. The new process has proven to be successful in streamlining the SDF  
31 approval process and shortening the grant development time by saving anywhere from 40 to 55  
32 days. To be able to use this new process, the Outreach and Employer Initiatives Division  
33 developed a rule waiver pursuant to 40 TAC §803.32 for approval by TWC's executive director.  
34 The adopted amendment will remove the need for a waiver and allow the use of the streamlined  
35 process moving forward.

36  
37 Texas Government Code, §2001.039, requires that every four years each state agency review and  
38 consider for reoption, revision, or repeal each rule adopted by that agency. TWC reviewed the  
39 rules in Chapter 803 and determined that the rules are needed, reflect current legal and policy  
40 considerations, and reflect current TWC procedures. The reasons for initially adopting the rules  
41 continue to exist and any changes to the rules are described in Part II of this preamble.

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43 **PART II. EXPLANATION OF INDIVIDUAL PROVISIONS**

44 (Note: Minor editorial changes are made that do not change the meaning of the rules and,  
45 therefore, are not discussed in the Explanation of Individual Provisions.)

1 **SUBCHAPTER B. PROGRAM ADMINISTRATION**

2 TWC adopts the following amendments to Subchapter B:

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4 **§803.14. Procedure for Requesting Funding**

5 Section 803.14 is amended to add subsection (i) to outline the procedure for requesting a  
6 contingency proposal.

7  
8 TWC hereby certifies that the adoption has been reviewed by legal counsel and found to be  
9 within TWC's legal authority to adopt.

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11 **PART III. PUBLIC COMMENTS**

12 The public comment period closed on October 10, 2022. No comments were received.

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14 **PART IV. STATUTORY AUTHORITY**

15 The rule is adopted under Texas Labor Code, §301.0015 and §302.002(d), which provide TWC  
16 with the authority to adopt, amend, or repeal such rules as it deems necessary for the effective  
17 administration of TWC services and activities.

18  
19 The adopted rule implements Texas Labor Code, Chapter 303.

1                                   **CHAPTER 803. SKILLS DEVELOPMENT FUND**

2  
3                   **SUBCHAPTER B. PROGRAM ADMINISTRATION**

4  
5                   **§803.14. Procedure for Requesting Funding.**

- 6  
7                   (a) An eligible applicant shall present to the executive director or his or her designee, an  
8                   application for funding, in order to acquire grant funds for the provision of  
9                   customized training as may be identified by the eligible applicant. Except as  
10                  provided in subsection (b) of this section, the eligible applicant will request the  
11                  review and comments of the Board in the applicable workforce area(s), where there  
12                  is a significant impact on job creation or incumbent worker training, and submit  
13                  these comments to the executive director or his or her designee with the application  
14                  for funding.  
15  
16                  (b) An eligible applicant is not required to obtain or provide the comments if the Board  
17                  informs the applicant that the Board is preparing an application or has submitted an  
18                  application that has not been approved or rejected. A Board is not required to  
19                  comment on its own applications.  
20  
21                  (c) An eligible applicant shall submit any updates to the original application for funding  
22                  in accordance with subsections (a) and (b) of this section.  
23  
24                  (d) TEEEX, or the public community or technical college that is a partner to a training  
25                  proposal for a grant from the Skills Development Fund, may be non-local.  
26  
27                  (e) The training proposal shall not duplicate a training project available in the workforce  
28                  area in which the private partner or trade union is located.  
29  
30                  (f) Proposals shall disclose other grant funds sought or awarded from the Agency or  
31                  other state and federal entities for the proposed job training project.  
32  
33                  (g) Applicants shall indicate whether they are submitting concurrent proposals for the  
34                  Skills Development Fund and the Texas Enterprise Fund. For the purposes of this  
35                  subsection, "concurrent proposal" shall mean:  
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37                          (1) a proposal for the Skills Development Fund that has been submitted and is  
38                          pending at the time an applicant submits a proposal for the Texas Enterprise  
39                          Fund; or  
40  
41                          (2) a proposal for the Texas Enterprise Fund that has been submitted and is  
42                          pending at the time an applicant submits a proposal for the Skills Development  
43                          Fund.  
44  
45                  (h) Proposals shall be written and contain the following information:  
46

- 1 (1) The number of proposed jobs created and/or retained;
- 2
- 3 (2) A brief outline of the proposed training project, including the skills acquired
- 4 through training and the employer's involvement in the planning and design;
- 5
- 6 (3) A brief description of the measurable training objectives and outcomes;
- 7
- 8 (4) The occupation and wages for participants who complete the customized
- 9 training project;
- 10
- 11 (5) A budget summary, disclosing anticipated project costs and resource
- 12 contributions, including the dollar amount the private partner is willing to
- 13 commit to the project;
- 14
- 15 (6) A signed agreement between the private partner or trade union and the Board,
- 16 public community or technical college, or TEEEX outlining each entity's roles
- 17 and responsibilities if a grant is awarded;
- 18
- 19 (7) A statement explaining the basis for the determination that there is an actual or
- 20 projected labor shortage in the occupation in which the proposed training
- 21 project will be provided that is not being met by an existing institution or
- 22 program in the workforce area;
- 23
- 24 (8) A comparison of costs per trainee for the customized training project and costs
- 25 for similar instruction at the public community or technical college, TEEEX, and
- 26 the Board;
- 27
- 28 (9) A statement describing the private partner's or trade union's equal opportunity
- 29 employment policy;
- 30
- 31 (10) A list of the proposed employment benefits;
- 32
- 33 (11) An indication of a concurrent proposal as required by subsection (g) of this
- 34 section; and
- 35
- 36 (12) Any additional information deemed necessary by the Agency to complete
- 37 evaluation of a proposal.
- 38
- 39 (i) An applicant may, with the approval of the executive director or his or her designee,
- 40 submit a proposal for funding that does not contain or identify all of the required
- 41 elements under subsection (h) of this section. The release of any funding is
- 42 contingent upon the applicant's submission, and the Agency's approval, of all the
- 43 required elements in subsection (h) of this section.