

1 **Career and Technical Education Credentialing Funding Modification**  
2 **Discussion Paper**

3 **Background**

4 On September 11, 2023, the Texas Workforce Commission’s (TWC) three-member Commission  
5 approved \$1.5 million in combined Workforce Innovation and Opportunity Act (WIOA) and  
6 Temporary Assistance for Needy Families (TANF) funds for distribution to Boards to support  
7 Career and Technical Education (CTE) credentialing across the state.

8 Program funds will be used to cover costs associated with exams, credentials, and licenses  
9 resulting from CTE coursework and to pay staffing costs for connecting the job seekers with  
10 middle skills jobs. To administer the program, Boards will partner with training providers,  
11 nonprofit entities, community programs, and other state agencies that provide middle skills  
12 occupations training and certifications.

13 **Issue**

14 Staff believe the program will be better supported if solely through WIOA statewide funds.  
15 Doing so will improve both program flexibility and efficiency in service to CTE credential  
16 seekers. Since the initiative’s original approval, staff have determined that the use of TANF  
17 funds would limit the program’s intended population to be served to only individuals who are  
18 low-income.

19 Additionally, staff believe that application-based access to these funds will deliver better  
20 program results than a distribution to all Boards. Application-based programs ensure that funding  
21 is maximized for Boards with an active desire to implement such programs in their region.  
22 Distributions, in contrast, sometimes result in Boards receiving funds they have limited capacity  
23 to spend. Combining this adaptation with the funding adjustment outlined above will enhance  
24 program efficacy both for Boards and CTE credential seekers.

25 **Decision Point**

26 Staff recommends supporting the CTE Credentialing Initiative with \$1.5 million in WIOA  
27 statewide funds. Staff also recommends that program funds be awarded to Boards on an  
28 application basis, rather than through a statewide distribution.