

TEXAS WORKFORCE COMMISSION
Workforce Development Letter

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Effective:	Immediately

To: Local Workforce Development Board Executive Directors
Commission Executive Offices
Integrated Service Area Managers

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From: Mary York, Director, Workforce Development Division

Subject: **Workforce Innovation and Opportunity Act, Eligible Training Provider Program, Eligibility Criteria, and Performance Expectations—Update**

PURPOSE:

The purpose of this WD Letter is to provide Local Workforce Development Boards (Boards) with information and guidance on the Eligible Training Provider (ETP) program, as governed by the Workforce Innovation and Opportunity Act (WIOA), specifically pertaining to the eligibility criteria for training providers.

This letter provides updated guidance on:

- minimum performance standards for initial and continued eligibility of training programs; and
- the complaints and appeals process regarding denial or termination of a training provider's eligibility for the statewide Eligible Training Providers List (ETPL).

RESCISSIONS:

WD Letter 05-19, Change 1

BACKGROUND:

WIOA requires the Texas Workforce Commission (TWC) to establish the eligibility criteria, information requirements, and procedures regarding the eligibility of training providers to receive WIOA funds.

On May 9, 2017, TWC's three-member Commission (Commission) approved the eligibility criteria and performance requirements for initial and continued eligibility.

On November 26, 2018, the Commission approved removing from the criteria the minimum performance standards for determining the initial and continued eligibility of training programs.

On December 15, 2020, the Commission adopted new Title 40, Texas Administrative Code, Part 20, Chapter 840, relating to WIOA ETPs.

On August 13, 2024, the Commission approved minimum performance standards for determining the initial and continued eligibility of training programs.

PROCEDURES:

No Local Flexibility (NLF): This rating indicates that Boards must comply with the federal and state laws, rules, policies, and required procedures set forth in this WD Letter and have no local flexibility in determining whether and/or how to comply. All information with an NLF rating is indicated by “must.”

Local Flexibility (LF): This rating indicates that Boards have local flexibility in determining whether and/or how to implement guidance or recommended practices set forth in this WD Letter. All information with an LF rating is indicated by “may” or “recommend.”

NLF: Boards must inform appropriate staff that because Registered Apprenticeship Programs (RAPs) undergo a detailed application and vetting process to become RAP sponsors with the US Department of Labor (DOL), they are not subject to the same application and performance requirements as other providers. TWC will automatically add to the ETPL RAPs that:

- are registered with DOL’s Office of Apprenticeship Training; and
- notify TWC of the desire to be included on the statewide ETPL.

NLF: Boards must ensure that, in general, if a training provider is removed from the ETPL, enrolled students can remain in the training program until they complete their training or exit the program. Providers removed for substantial violations of WIOA requirements may be required to return funds provided for training in affected programs during the term of such violation.

Eligibility Criteria for Training Providers

NLF: Boards must inform appropriate staff that criteria for determining the initial and continued eligibility of training providers includes minimum performance standards.

NLF: Boards must inform training providers that they must meet the following evaluation criteria for initial and continued eligibility:

- A provider must be:
 - an institution of higher education providing a program that leads to a recognized postsecondary credential;
 - an entity that provides Registered Apprenticeship training; or
 - a public or private training provider, which may include community-based organizations, joint labor-management organizations, and providers of Adult Education and Literacy (AEL) activities under WIOA Title II, if AEL educational services are provided concurrently or in combination with occupational skills training, on-the-job training, incumbent worker training, and other training cited under WIOA §680.350.

- A provider must be appropriately licensed, regulated, or accredited or exempt from regulation under Texas Education Code, Chapter 132, with authorization in a Letter of Exemption from TWC Career Schools and Colleges.
- A provider’s training programs must align with one or more occupations included on the statewide target occupations list.
- A provider must demonstrate that it offers its training programs in partnership with businesses by providing:
 - a letter of support from an employer in Texas; or
 - evidence of the existence of an employer-based advisory committee.
- A provider must submit the required program and student information requested by TWC, as specified in the [ETP Reporting Requirements](#). However, some data may not be required from new training programs that have never had students.
- Program performance must meet or exceed TWC-required standards shown in the tables below.

For Initial and Continuing Eligibility:

Performance Standards for All Former Students	2025 ETP Reporting Period	2026 ETP Reporting Period	2027 ETP Reporting Period
Employed Quarter 2 Post Exit*	70%	70%	70%
Employed Quarter 4 Post Exit*	70%	70%	70%
Median Earnings Quarter 2 Post Exit**	\$7,800	\$7,800	\$7,800
Credential Rate	50%	55%	60%
Completion Rate	60%	60%	60%

* Students reported without a valid Social Security Number (SSN) will be included as “not employed.”

** Students reported without a valid SSN are excluded from this measure.

NLF: Boards must inform training providers that WIOA requires them to submit program information to the state, including information for calculating a program’s performance outcomes. TWC uses the information from training providers to:

- determine initial and continued eligibility for the statewide ETPL;
- submit its mandatory ETP performance report to DOL; and
- meet the federal requirements for informed consumer choice.

LF: As stated in 20 CFR §680.430(e)(2), Boards may set additional criteria for performance and may require higher levels of performance than those required by TWC with respect to local training providers becoming or remaining eligible to offer WIOA-funded training services through Individual Training Accounts in their local workforce development areas (LWDAs). These additional and/or higher standards do not affect eligibility for the

statewide ETPL. Boards that elect to set local Board performance standards must notify TWC by email at etp.helpdesk@twc.texas.gov.

NLF: Boards must document and report to TWC possible violations of WIOA requirements and of state or local laws and withdraw approval of a provider or take other appropriate action for a provider that intentionally committed other WIOA violations.

NLF: Boards must ensure that information on training providers that offer applicable training in LWDA is made available to all customers, including WIOA participants, so that customers can make informed choices about training programs.

NLF: Boards must ensure appropriate staff members are aware of and comply with the complaints and appeals procedures provided in [WD Letter 14-24](#), issued September 16, 2024, and titled “Training Provider Complaint Procedures.”

INQUIRIES:

Send inquiries regarding this WD Letter to wfpolicy.clarifications@twc.texas.gov.

ATTACHMENTS:

Attachment 1: Revisions to WD 05-19, Change 1, Shown in Track Changes

REFERENCES:

US Department of Labor Employment and Training Administration Training and Employment Guidance Letter No. 03-18, issued August 31, 2018, and titled “Eligible Training Provider (ETP) Reporting Guidance under the Workforce Innovation and Opportunity Act (WIOA)”

US Department of Labor Employment and Training Administration Training and Employment Guidance Letter No. 41-14, Change 1, issued November 24, 2015, and titled “Workforce Innovation and Opportunity Act (WIOA or Opportunity Act) Title I Training Provider Eligibility Transition”

Workforce Innovation and Opportunity Act of 2014, §122, Identification of Eligible Providers of Training Services

Title 40, Texas Administrative Code, Part 20, Chapter 802 Integrity of the Texas Workforce System

Title 40, Texas Administrative Code, Part 20, Chapter 823 Integrated Complaints, Hearings, and Appeals

Title 40, Texas Administrative Code, Part 20, Chapter 840 WIOA Eligible Training Providers

WD Letter 10-07, issued February 2, 2007, and titled “Adoption of Local Workforce Development Board Policies in Open Meetings”

WD Letter 14-24, issued September 16, 2024, and titled “Training Provider Complaint Procedures”