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GOVERNOR'S COORDINATION AND SPECIAL SERVICES PLAN

For The Program Period: July 1, 1990 to June 30, 1992

William P. Clements, Jr.
Governor
State of Texas

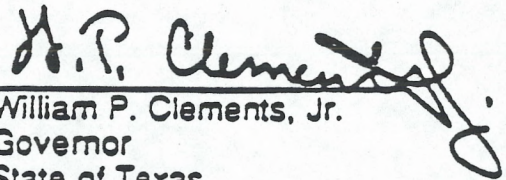
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In accordance with Public Law 97-300, Section 121, the PY90-PY91 Governor's Coordination and Special Services Plan for the State of Texas is provided for submission to the Secretary of Labor.


William P. Clements, Jr.
Governor
State of Texas

05/01/90
Date

TABLE OF CONTENTS

	<u>PAGE</u>
I. INTRODUCTION.....	1
A. PURPOSE OF GOVERNOR'S TWO-YEAR PLAN.....	2
B. JTPA IMPLEMENTATION IN TEXAS.....	2
1. Partnerships in Planning.....	2
2. Organizational Structure.....	2
a. State Partnerships.....	2
The Governor.....	2
The State Job Training Coordination Council.....	3
The Texas Department of Commerce.....	3
b. Local Partnerships.....	3
Service Delivery Areas.....	3
Private Industry Councils.....	3
C. DOL'S GUIDANCE FOR PLAN DEVELOPMENT.....	4
D. PLAN HIGHLIGHTS.....	4
1. Coordination Efforts.....	4
2. Effective Training.....	5
3. Targeting the At-Risk Population.....	5
4. Assessment.....	6
5. Enhanced Program Quality.....	6
6. Drug-Free Workplace.....	6
7. Reconfiguration of Service Delivery Areas.....	6
II. MISSION, GOALS, AND OBJECTIVES.....	7
A. INTRODUCTION.....	8
B. SJTCC MISSION, GOAL, OBJECTIVES AND STRATEGIES.....	8
C. JTPA MISSION, GOALS AND OBJECTIVES.....	12
III. COORDINATION CRITERIA.....	15
A. NEED FOR COORDINATION.....	16
B. COORDINATION GOAL AND CRITERION.....	16
C. STATE-LEVEL COORDINATION EFFORTS.....	17
D. SUBSTATE (SDA) COORDINATION EFFORTS.....	17
IV. ANALYSIS OF THE TEXAS LABOR MARKET.....	23
A. EXECUTIVE SUMMARY: A VIEW OF THE TEXAS ECONOMY.....	24
B. BACKGROUND: A MORE SERVICE-ORIENTED ECONOMY.....	25
C. FIRM SIZE AND TEXAS EMPLOYMENT.....	27
D. LABOR FORCE TRENDS.....	27
E. EMPLOYMENT TRENDS.....	29
F. RECENT AND HISTORICAL EMPLOYMENT CHANGE: WINNERS AND LOSERS.....	31
G. INDUSTRY AVERAGE WAGES: IT DOES MAKE A DIFFERENCE.....	35
H. INDUSTRY PROJECTIONS: A GLIMPSE AT THE FUTURE.....	38
I. TEXAS OCCUPATIONAL EMPLOYMENT: GROWTH AND DECLINE.....	41
J. OCCUPATIONAL WAGES: HOW MUCH DOES IT PAY!.....	43
K. TRENDS IN EDUCATION AND THE LABOR MARKET.....	45

V.	SELECTION OF PROGRAM PARTICIPANTS/SIGNIFICANT SEGMENTS.....	47
	A. SELECTION OF PROGRAM PARTICIPANTS.....	48
	B. SIGNIFICANT SEGMENTS	49
VI.	RESOURCE UTILIZATION	51
	A. RESOURCES AVAILABLE.....	52
	B. PROJECTED RESOURCE UTILIZATION.....	52
	1. Title IIA Adult and Youth Programs	52
	a. Training for Youth and Adults (78%).....	52
	b. State-Level Funds (22%)	53
	Education and Coordination (8%)	54
	80% Funds	55
	20% Funds	55
	Older Workers (3%).....	56
	Performance Incentives/Technical Assistance and Training (TAT) (6%).....	56
	Administration (5%).....	57
	2. Title IIB Summer Youth Programs.....	57
	3. Title III Worker Readjustment/Dislocated Worker Programs.....	57
	a. Purpose.....	57
	b. Guiding Principles.....	58
	c. Eligible Population.....	58
	Farm and Ranch Hands	59
	Displaced Homemakers.....	59
	d. Resource Allocation.....	59
	Substate 60% Funds.....	59
	40% State Reserve Funds	62
	Organization of the DWU.....	62
	Functions of the DWU.....	62
	4. Title IVC Veterans Employment and Training Programs	63
	5. Wagner-Peyser Activity	64
	C. NON-DISCRIMINATION.....	64
	D. DESIGNATION OF LABOR MARKET INFORMATION (LMI) SYSTEM COORDINATOR....	65
VII.	ADMINISTRATION AND MANAGEMENT.....	67
	A. MANAGEMENT RESPONSIBILITIES.....	68
	B. MANAGEMENT SYSTEMS	68
	C. PERFORMANCE STANDARDS	72
	1. Title IIA Standards.....	72
	2. Performance Standards Adjustment	72
	3. PY90 Incentive Grant System	72
	4. Follow-up.....	73
	5. Title III Performance Standards.....	74
	D. TECHNICAL ASSISTANCE/TRAINING.....	74
	1. Background	74
	2. Allocation of PY90 6% Funds	75
	3. Training.....	75
	a. Statewide Priority Courses and Conferences.....	76
	b. JTPA Core Curriculum.....	76
	c. Texas Department of Commerce JTPA Staff Development.....	76
	d. Technical Assistance to SDAs	76
	e. SDA-Sponsored Management Development Activities	77

VIII. EVALUATION OF JTPA IN TEXAS	79
A. TITLE IIA	80
1. PY87	80
2. PY88	82
3. PY89 (Second Quarter).....	82
4. Older Workers Programs (3%).....	85
5. Education and Coordination Programs (8%)	85
B. TITLE IIB SUMMER YOUTH PROGRAMS	88
C. TITLE III/EDWAA WORKER READJUSTMENT/DISLOCATED WORKER PROGRAMS ..	88
1. PY88 Title III Dislocated Worker Programs	88
2. PY89 Title III/EDWAA Second Quarter Performance Report.....	88
3. Expenditures Deob/Reob of Funds	89
D. TITLE IVC VETERANS EMPLOYMENT PROGRAMS.....	89
IX. APPENDICES	91
Appendix A—Service Delivery Areas (SDAs)	92
Appendix B—Substate Areas in Texas.....	93
Appendix C—List of Acroynms.....	94
Appendix D—State of Texas Economic Dislocation and Worker Readjustment Assistance PY90 State Plan.....	96

LIST OF TABLES

<u>TABLE</u>	<u>PAGE</u>
1 State Level Coordination Efforts	20
2 Comparison of Goods Producing Vs. Services Employment of the U.S. and Texas for 1970 Thru 1988.....	26
3 Unemployment Rates for Texas Service Delivery Areas (1985-1989)	28
4 Total Covered Employment (Quarterly Average) for Texas JTPA Service Delivery Areas: Absolute and Percent Change in Employment	30
5 Recent and Historical changes in Texas Employment.....	31
6 Texas "Standout" Industries (1984-1988).....	33
7 Highest and Lowest Paying Industries in Texas.....	36
8 Texas Industry Employment Projections 1985-1995: Absolute Job Growth	39
9 Texas Industry Employment Projections 1985-1995: Percent Job Growth.....	40
10 Top 50 Occupations in Texas Ranked by Projected Absolute Employment Growth	41
11 Top 50 Occupations in Texas Ranked by Projected Percent Employment Growth.....	42
12 Occupational Hourly Wage Rates in Texas: Wage and Salary Employment	43
13 Relationship Between Training and Wages for Texas	45
14 PY90 JTPA Funding.....	53
15 Title III PY90 Substate Area Formula Allocations.....	61
16 Title IIA Performance Report PY87 vs. PY88	81
17 Number of SDAs Met/Exceeded Performance Standards.....	83
18 Title IIA Performance Report Second Quarter PY89 vs. Second Quarter PY88.....	84
19 PY88-PY89 Section 8% Performance.....	87

I. INTRODUCTION

INTRODUCTION

A. PURPOSE OF GOVERNOR'S TWO-YEAR PLAN

In accordance with Section 121 of the Job Training Partnership Act (JTPA), the Governor is required to submit a Governor's Coordination and Special Services Plan (Plan) to the U.S. Secretary of Labor, DOL. This Plan must be for the two-year program period ending June 30, 1992, and must describe (1) the use of all resources provided to the State and its service delivery areas (SDAs), and (2) criteria for coordinating activities at the state and local levels, prior to receipt of funding. In addition, the Plan must provide an evaluation of activities conducted over the preceding two years. The purposes of the Plan are:

- To articulate the state and organizational structure that exists to administer and implement JTPA;
- To establish the mission, goals, and objectives for job training and placement programs in Texas;
- To establish coordination criteria;
- To describe the projected use of JTPA resources in Texas;
- To provide for and justify adjustments in performance standards for Texas' programs;
- To establish policy initiatives which address statewide management systems; and
- To evaluate activities conducted over the preceding two years.

B. JTPA IMPLEMENTATION IN TEXAS

1. Partnerships in Planning

The Job Training Partnership Act stresses interagency collaboration and public - private partnerships. Thus JTPA provides a medium for Texas to focus investments in human capital for economic development and to achieve the broad goals of the entire system.

Both state and local entities have an active role in planning. The Governor's Coordination and Special Services Plan reflects statewide policy. It is intended to provide guidance to the local public-private partnerships which have full responsibility for program design, operation, and management within their respective communities. It further serves to direct certain state agency activities to improve the coordination and effectiveness of job training, economic development, and other human service programs.

2. Organizational Structure

a. State Partnerships

The Governor

Under JTPA, ultimate responsibility for employment and training programs rests with the Governor. Further, federal and state legislation authorizes the Governor's responsibility for effective coordination of JTPA programs with other education, training, employment and economic development programs operated through various state agencies.

The Governor's role in the operation, funding, and planning of employment and training programs was enacted at the state level by passage of the Texas JTPA (House Bill 2251) during the 68th Legislature, 1983. The Texas Act established the Joint Legislative Oversight Committee to monitor the state's progress in implementing JTPA. Concerns and directives are communicated to the State Job Training Coordinating Council (SJTCC) through the Governor's Office.

The State Job Training Coordinating Council

The Governor carries out his responsibilities on the advice and recommendations of the 27-member SJTCC. The primary responsibility of the Council is to provide oversight of JTPA programs and policy recommendations to the Governor. Staff support to the Council is provided by the Texas Department of Commerce (Commerce). In addition to these responsibilities, the Governor has designated a broader role for the Council to create a Human Investment System aimed at building a quality workforce.

The Texas Department of Commerce

The Texas Department of Commerce was created by the 70th Texas Legislature, 1987, through the passage of House Bill 4. The agency was created to boost economic growth in the state and focus on an immediate goal of creating 150,000 new jobs. House Bill 4 also designated administrative responsibilities for JTPA to Commerce.

The Work Force Development Division of Commerce has primary responsibility for administration and management of the JTPA program. In addition, Commerce performs such other economic development and employment functions and duties relating to JTPA as may be required by law or assigned by the Governor. The centralization of several agencies and related programs within Commerce is viewed as an important step to increase the number of quality jobs and prepare a skilled workforce to meet the needs of Texas' changing economy.

b. Local Partnerships

Service Delivery Areas

In accordance with Section 101 of the federal JTPA, the Governor has designated 35 Service Delivery Areas (SDAs) to promote effective delivery of job training services (Appendix A). Each SDA is of such size as to receive an allocation of funds sufficient to plan and operate an effective local program, as determined by the Governor. For programs under Title III, the Governor has designated 33 substate areas (Appendix B). The state maintains a close relationship with local program officials through the Texas Association of SDA Administrators.

Private Industry Councils

The 35 Private Industry Councils (PICs) and the Chief Elected Officials (CEOs) of Texas' cities and counties form the most important partnerships at the local level. The PICs, certified by the Governor, determine procedures for the development of the job training plans, select a grant recipient to administer the plan, and provide oversight to local programs. The membership of the PIC, composed primarily of private sector representatives, is also representative of educational and human service agencies, organized labor, rehabilitation agencies, community-based organizations, economic development agencies, and the public

employment service. This representation ensures private sector involvement and effective coordination within the SDA. Texas has emphasized this partnership by working closely with the Texas Association of Private Industry Councils (TAPIC), a private, non-profit association charged with providing assistance to the PICs to enable them to maintain a strong influence on local programs.

C. DOL GUIDANCE FOR PLAN DEVELOPMENT

New and emerging jobs are requiring higher levels of training and stronger basic skills. A national consensus exists which confirms that the declining quality of the American workforce is a serious barrier to remaining competitive in a global economy. In 1987, the U.S. Department of Labor (DOL) issued Workforce 2000, a report documenting the forces shaping the U.S. economy. The trends discussed in Workforce 2000 and other reports call for rethinking state and national policies to design programs aimed at developing a workforce capable of succeeding in an advanced economy.

Congress introduced proposed amendments to JTPA during the last program year. This legislative initiative calls for prudent investments in skills training as a crucial component of the Nation's economic development policies. As the legislative process continues, the direction of the proposed amendments offers general guidance for plan development, whether or not the amendments are ultimately enacted into law. The Texas response to DOL's specific areas of concern is outlined in this plan.

D. PLAN HIGHLIGHTS

On behalf of the JTPA system in Texas, the state has developed a comprehensive response to the current legislative agenda. Texas has conceptualized a Human Investment System (HIS) which captures the essence of Workforce 2000. HIS is characterized by multi-agency involvement, joint planning, and integrated service delivery. Public investments in human capital under JTPA and related workforce preparation programs provide a unique opportunity to link economic and social goals.

Following are some highlights of HIS. These highlights represent the strategical foundation for moving the workforce preparation system toward attainment of Texas' mission, goals, and objectives which are outlined at greater length further in the document.

1. Coordination Efforts

The JTPA system is seeking out and encouraging new productive working arrangements within the state and its Service Delivery Areas to expand and improve the quality of service to the target population.

- **Human Investment System:** Central to this effort will be the establishment of a coalition of state leaders, representing all facets of workforce preparation, to develop a Human Investment System. As envisioned by the SJTCC, a Human Investment system would result in a seamless education and job training delivery system that is accessible and user-friendly; accountable; demand-driven; based on outcome rather than process; and policy responsive, while resource efficient. The essence of the Human Investment System is captured in the SJTCC's Mission, Goals and Objectives for PY90-PY91 (see outline) which frame the core strategies for implementation.

- **Interagency Planning:** Development of a coherent interagency policy base for the Human Investment System will be facilitated through interagency meetings, coordination conferences, establishment of interagency agreements, and development of joint proposals and publications.
- **State Agency Plan Review:** A formalized state agency plan review system will be the basis for developing joint policy and establishing a planning framework among various programs and systems. The review system will determine how each state agency can play a role and better channel federal and state resources toward a common target population.
- **JTPA and JOBS:** During this program period the Job Opportunities and Basic Skills Training (JOBS) program will be instituted. Of particular concern to the state is effective coordination of JTPA with JOBS programs. Commerce participates in an interagency task group to plan and implement the program.

2. Effective Training

The state is committed to the objective that program resources include effective basic and occupational skills training which will lead to employment opportunities in the local community.

- **Quality Work Force Planning:** The passage of state legislation to implement regional planning for occupational education and job training in 24 regions will link education and training with the needs of business and industry. The ultimate goal of quality work force planning is to increase the efficiency and cost effectiveness of matching and delivering training for jobs that are and will be available.
- **Interagency Agreements:** Interagency agreements will be developed to ensure that programs share the mission of supplying enough skilled workers for increasing numbers of highly skilled jobs. A blueprint for action will include exploring new ways to keep youth in an appropriate learning environment, either in or out of school (i.e., competency-based systems), and providing accreditation for alternative programs.

3. Targeting the At-Risk Population

JTPA programs will be designed to serve the more at-risk among the disadvantaged. Scarce resources will be directed to resolve the employment deficiencies of these adults and youth.

- **8% Policy:** The state recommends that the Section 123 policy (as outlined in this document) be continued. Section 123 efforts thus far have resulted in substantial improvements in services to at-risk youth and hard-to-serve adults (which include dropouts, welfare recipients, and ex-offenders). With the continued national and state focus on welfare reform, dropout prevention, and the need for a skilled, literate workforce, continuation of the current Section 123 policy is essential if Texas is to meet the challenges inherent in each of these issues.
- **Exemplary Programs:** The state will promote special efforts to expand opportunities for youth and adults who are at risk of failing to achieve their full potential. Creative research initiatives, demonstrations, and other special projects will be developed that target the at-risk and hard-to-serve.

4. Assessment

JTPA programs under Title IIA, Title IIB, and Title III will include effective assessment components designed to identify the skills and services needed by each participant.

- Texas recognizes the importance of good assessment and will provide training and technical assistance to SDAs to develop effective assessment components for programs under Title IIA, Title IIB, and Title III.

5. Enhanced Program Quality

The state will examine its administrative arrangements and requirements, and those at the SDA level, to ensure the integrity of the JTPA system.

The state has developed a model approach to identify and analyze quality SDA programs and program components. A Management Guide for Program Quality will be developed to review the SDA's management systems, service delivery, and exemplary practices and systems. This information will be disseminated within the state's JTPA system to facilitate replication of successful programs and program components.

JTPA services will be individualized and substantially intensified. All participants must be assessed to determine the services needed and desired. Basic and occupational skills training must be made available when determined necessary. Youth will have the opportunity to participate in programs year-round. Support services are expected to be enhanced to better enable participants to successfully complete longer-term training.

6. Drug-Free Workplace

The state is committed to fostering a drug-free workplace. The state will facilitate and expand the promotion of drug awareness and education efforts among JTPA participants.

7. Reconfiguration of Service Delivery Areas

In PY90 there will be 35 SDAs in Texas (as shown in Appendix A), reflecting redesignation requested by local officials and approved by the Governor.

II. MISSION, GOALS, AND OBJECTIVES

II. MISSION, GOALS, AND OBJECTIVES

A. INTRODUCTION

It is the responsibility of the Governor to establish and promote policy for implementing the provisions of JTPA. The Governor and the SJTCC first decide upon the mission and goals for JTPA in Texas, which provide a framework for planning job training programs in the state. For Program Years 1990 and 1991, emphasis is placed on planning and design of program services that enhance the quality of the Texas workforce by improving the pre-program status of the participant. The process of state-level planning forms a partnership in which objectives and performance are adjusted over time to achieve the broad goals of the entire system. The Governor:

- Sets the direction for programs operated through an annual statement of statewide mission, goals, and objectives;
- Shapes the state/local planning process through the issuance of SDA job training planning guidelines, the establishment of coordination criteria, and the approval/disapproval of plans;
- Allocates funds; and
- Influences the performance of the programs through the implementation of program performance standards and the provision of incentive grants and/or technical assistance.

Within the framework set by the Governor, the responsibilities for additional policy making and program operation are at the SDA level under the control of the local partnership formed by the PIC and its CEOs. The partnership and/or its representatives:

- Plan job training programs through the determination of local goals and objectives;
- Determine participant and program mix, including the choice of training strategies and program delivery systems, based on participant employment barriers to be addressed;
- Implement programs for adults and youth; and
- Maintain program and fiscal accountability standards.

The local partnerships prepare plans on the basis of the needs of the local area, the outcomes to be achieved, targeted occupations, and planned services and activities which respond to the needs of the local area. Only at the local level can program design be molded to meet the needs of participants and employers.

For the first time in Texas, the State Job Training Coordinating Council has set forth two separate missions that will shape the future of JTPA over the next two years. The first mission relates to the role of the Council itself in promoting an integrated Human Investment System in Texas. The second mission relates to the development of quality training and employment programs in Texas through specific goals and objectives.

B. STATE JOB TRAINING COORDINATING COUNCIL MISSION, GOAL, OBJECTIVES AND STRATEGIES

SJTCC Mission

In the thirty or so years that employment and training has been regarded as a field of government activity, dozens of programs have been created by state and federal legislative bodies. Often, the legislation creating programs imposes conflicting definitions, rules and administrative procedures on

programs. There are seventeen autonomous state agencies in Texas which provide health and human services, each with its own board and commission. There are more than 1,000 independent school districts, a myriad of alternative education and training programs and a wide array of community colleges and universities throughout the state. The result is often policy incoherence, administrative confusion, and service delivery fragmentation.

In recognizing that JTPA alone cannot address the multiple barriers faced by disadvantaged Texans in becoming productive members of the workforce, the SJTCC has decided to take a lead role in promoting a coordinated planning framework for the state agencies involved with training, education, and employment programs and services. The Council, therefore, has accepted the following as its mission:

"To provide the leadership which will result in an Integrated Human Investment System leading to a quality workforce."

In promoting the establishment of an integrated Human Investment System, the SJTCC has developed a goal, objectives, and strategies that respond to the following issues:

- How can each agency involved in education, training, and human services contribute to enhancing workforce quality in Texas?
- What resources are available and how are they used?
- What barriers exist in creating an accessible, accountable and demand-driven system, and how can the barriers be overcome?

SJTCC Goal

To establish an integrated education and job training delivery system involving education, employment and job training and human resource agencies and programs to benefit all Texans.

SJTCC Objectives:

- a. To establish a coalition of agency executive officers and others to set in motion the strategy for creating an Integrated Human Investment System through appropriate action by the Governor or a legislative mandate.
- b. To develop an interagency plan review system as a basis for gathering information, formulating policy recommendations, and ensuring the accountability of programs.
- c. To develop a seamless delivery system based on the following design criteria: accessible, user friendly, demand- or outcome-driven; accountable; policy responsive and resource efficient; and based on outcomes rather than process.

SJTCC Strategies:

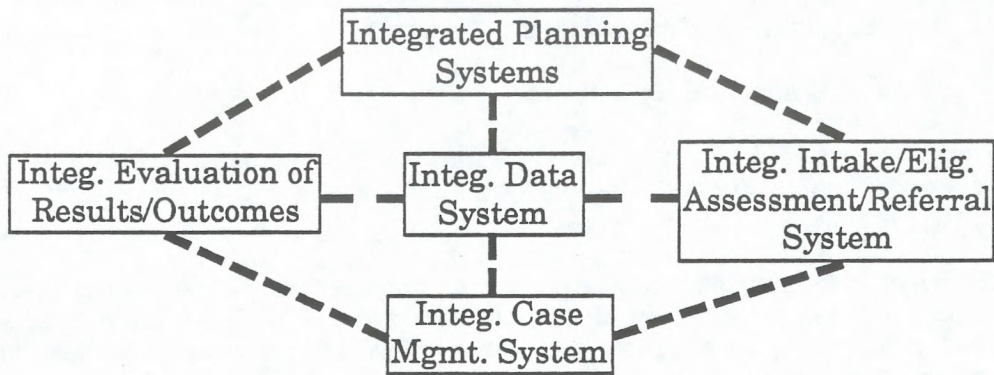
- To develop an annual review system across agencies which has clearly defined outcome measures applicable to all state- and federally-funded human investment programs and which provides cross-program evaluation of results and costs.
- To establish policies with emphasis on a demand- or outcome driven delivery system (rather than process-driven) of education and training programs which respond to the individual employer and employee.

- To develop a common, computerized system of intake, assessment, and eligibility which issues an identification card at any of the intake centers of the various agencies involved.
- To establish an effective communications system among education, employment, and training institutions which would provide consistent and accurate information on programs and resources available to employers and individuals seeking training.
- To establish a statewide labor market information system to ensure that the entire education, employment and training system focuses on jobs that exist and/or are projected to exist when training is complete.
- To establish uniform geographical boundaries for delivery of services for all programs.

HUMAN INVESTMENT COUNCIL (SJTCC)

- Leadership
- Visibility • Accountability
- Legitimacy • Ownership

State Executive Committee of Agency Directors (DHS, TEC, TEA, TDOC, Etc.)



K-12	At Risk/ Literacy	Voc./Occp. Technical	Empl./Job Placement	Health/ Human Services
<ul style="list-style-type: none"> • Ongoing Ed. Reform • Chamber of Commerce Initiatives • Other Business/ Education Comm. Initiatives • Chamber of Commerce, Business Education Partnership 	<ul style="list-style-type: none"> • In-School & Out-of-School Initiatives (CIS, YOU) • Alternative Learning • Pilot At-Risk MIS System • Regional Literacy Network 	<ul style="list-style-type: none"> • Regional Planning • LMI System • Public/Private Partnership • 2+2 Initiatives • Apprenticeship Initiatives • Competency-Based Training Programs 	<ul style="list-style-type: none"> • Computerized Job Bank • Job Referral • Job Matching • Placement Services • Testing 	<ul style="list-style-type: none"> • Jobs Implementation • Regional Child Care System • School-Age Childcare Initiative • Health Initiatives • Teen Pregnancy Initiatives

C. JTPA MISSION, GOALS, AND OBJECTIVES

JTPA Mission

The mission of job training and employment programs in the State of Texas was developed by the SJTCC and the Governor with several factors in mind. The findings of the Work Force 2000 report and the Governor's goals and objectives for quality education and training recognize that economic strength and productivity depend on the capacity to build and maintain a quality workforce.

To support this premise, the Strategic Economic Policy Commission, in its report to the 71st Texas Legislature, pointed out that deficiencies in the Texas workforce are a serious barrier to the future growth of the Texas economy. High drop out rates and fragmented education and training systems account for a poorly prepared Texas workforce. The Commission report concludes that a high quality workforce is critical to the survival and future growth of the Texas economy.

Therefore, the SJTCC set forth the following mission for job training and employment programs in the State of Texas:

"To provide for the development of a skilled, productive and competitive workforce through training, retraining, and increasing the education, literacy levels and job skills of disadvantaged Texans."

JTPA Program Goals and Objectives

For Program Years 1990 and 1991, the JTPA program goals and objectives focus on enhancing the delivery of quality programs and the establishment of a cost-effective, accountable, and efficient JTPA system.

The Governor has determined that the attainment of the performance standards alone does not necessarily address all of the quality issues related to JTPA. Thus, unlike previous years, progress in meeting program goals and objectives will not be measured solely through the performance standards.

Qualitative issues and factors that must be considered in the development of local programs include the following:

- Relating outcomes to the needs of the target population and the needs/requirements of the employer;
- Promoting the ability of the target population to access both immediate job openings and longer-term upward mobility opportunities;
- Determining the capabilities and capacities of the local service delivery system - existing and potential - to provide specific services;
- Overcoming logistical constraints in providing specific services or mix of services;
- Identifying specific barriers and skills development objectives to be addressed in the design and implementation of individual program activities; and

- Developing customized expectations, standards, and motivators for each program component, consistent with the planned contribution of the component to achieving the overall goals and objectives defined in the plan.

Goal 1: To enhance the delivery of quality programs through a system of rewards and sanctions.

Program Objectives

- Increase the total number of participants.
- Increase the functioning level of JTPA participants to a minimum of eighth grade level.
- Increase the number of AFDC/Welfare recipients placed in jobs.
- Significantly increase the percentage of high school dropouts enrolled in diploma, GED, or alternative learning programs.
- Establish a comprehensive and effective retraining program for dislocated workers.
- Significantly reduce the dropout rate through cooperative efforts with educational institutions (including junior colleges, community colleges, and independent school districts).
- Reduce the number of welfare recipients, at a reasonable cost.
- Develop and implement a system for identifying and rewarding state and local quality programs.
- Develop and implement a state and local system which addresses deficient programs and violations of the Act by requiring corrective action or elimination of sub-standard or non-performing programs.
- Assure performance standards require qualitative outcomes measuring long-term productive employment and competencies attained by youth and adults.
- Increase the earned income levels of JTPA participants.

Goal 2: To establish a cost-effective, accountable, and efficient JTPA system in Texas.

Program Objectives

- Institute accounting procedures to establish a clear audit trail and compliance requirements for all funds expended by the JTPA.
- Implement a more understandable financial reporting system for SJTCC reports.
- Effectively invest all available funds in JTPA's priority programs by the end of each program year.
- Establish management systems which reduce paperwork and increase efficiency throughout the system.
- Effectively utilize both fiscal and program monitoring in a uniform manner to improve program performance.

- f. Establish state and local marketing and communication systems which increase information sharing and cooperation.

III. COORDINATION CRITERIA

III. COORDINATION CRITERIA

A. NEED FOR COORDINATION

The Texas JTPA (House Bill 2251) mandates that all available resources from federal, state and local governments, business, labor, and community-based organizations be coordinated to promote a cost-beneficial and equitable employment and training system. The major objectives of these policies are to promote the development and delivery of quality JTPA programs to achieve program performance standards, and to promote coordination of employment and training activities at the state and local levels.

The SJTCC's mission of developing an integrated Human Investment System will require enhanced coordination efforts and systems integration throughout the JTPA system. In its March 1989 report, the JTPA National Advisory Committee recommended that : "Renewed emphasis should be placed on strengthening the local role (PICs and Local Elected Officials) in planning and fostering integrated service delivery to meet local labor market needs."

The Committee went on to propose the following strategies for promoting the efficient targeting and leveraging of limited JTPA resources:

"Create expanded public-private partnership arrangements to achieve linkages between JTPA and other human resources programs in order to serve a larger proportion of the eligible population more effectively with a broader range of services...We believe that the JTPA system can bring together local human service agencies and organizations and serve as a catalyst in developing a more cohesive service delivery system at the local level."

Texas has adopted these recommendations as the philosophical foundation for developing coordination criteria to build toward systems integration.

B. COORDINATION GOAL AND CRITERION

The SJTCC has established a comprehensive coordination goal and criterion that requires each SDA to demonstrate through documentation that coordination takes place at the local level and that participant needs are addressed in a uniform and consistent manner.

For PY90 and PY91, the coordination goal and criterion are as follows:

Goal: To coordinate JTPA with key related governmental agencies and the private sector.

Criterion:

Part A: Require that the SDA Plan give specific evidence of coordination with the Texas Department of Human Services, Texas Education Agency, Texas Employment Commission, Independent School Districts, community colleges, Texas State Technical Institute, the Texas Youth Commission, other agencies and the private sector.

AND

Part B: Require to the extent possible, that SDAs document whether participant needs are addressed in a uniform and consistent manner by all agencies involved in the provision of services.

Part A of the criterion relates to coordination at the system level. Part B relates to the impact of coordination on meeting the service needs of each participant.

Procedures for implementing the coordination requirements are presented in Section III.D. of this document.

C. STATE-LEVEL COORDINATION EFFORTS

In response to the need for an integrated education, training and human service system and to assume their broader coordination role, the SJTCC, with the approval of the Governor, developed goals and objectives for the SJTCC to take a leadership role in establishing an integrated Human Investment System in Texas. As a basis for developing joint policy and establishing a planning framework among the various programs and systems, the Council will:

"Develop an interagency plan review system as a basis for gathering information, formulating policy recommendations and ensuring the accountability of programs.

and

"Develop an annual review system across agencies which has clearly defined outcome measures applicable to all state and federally funded human investment programs and which provides cross-program evaluation of results and costs.

Through the development of a formalized state agency plan review system, the SJTCC will identify the various resources and programs within the state and make recommendations to the Governor, state legislature, and state agencies for future policy to improve linkage and coordination.

Table 1, (pages _____), "State-Level Coordination Efforts," has been updated to include PY90 and PY91 planned activities. General areas that will continue to receive high priority in Texas are identified in this attachment.

D. SUB-STATE (SDA) COORDINATION EFFORTS

Within the framework set by the SJTCC and the Governor, the responsibilities for additional policy making and program operation are at the SDA level under the control of the local partnership formed by the PIC and the CEOs. The Coordination goal and criterion described in Section IIIB. meets the statutory requirement for coordination at both the state and local levels, and ensures coordination and implementation of training and employment programs consistent with statewide goals and objectives.

The local partnerships outline plans for services and activities on the basis of the needs of the local area, the outcomes to be achieved and targeted occupations. Section 104(b)(7) of the Act requires that the plan delineate specific methods to meet criteria for coordination of services and activities at the local level in compliance with the coordination goal and criterion. The state is responsible for reviewing local plans for responsiveness to the state's goals, objectives and planning guidelines. Section 105 (b)(1)(D) of the Act states that the Governor shall approve the job training plan unless he finds that the plan does not comply with the coordination goal and criterion.

The coordination goal and criterion established by the SJTCC and the Governor requires that each SDA give specific evidence of coordination with key local agencies. The Agency Profile Worksheet, developed by the state as a tool to assist SDAs in the local coordination process, must be completed for each of the following agencies or organizations:

Texas Department of Human Services (Must include reference to the new Job Opportunities and Basic Skills (JOBS) program, and implementation of the new joint AFDC/Food Stamp/JTPA referral process)

Texas Employment Commission

Regional Planning Entity

Independent School Districts

Community Colleges

Texas State Technical Institute

Texas Rehabilitation Commission

Texas Youth Commission

Private Sector Organizations

Other appropriate agencies/organizations in the local region

In order to begin building toward the long-term goal of the integration of systems among different agencies and organizations, SDAs must categorize their current and planned coordination activities within the following five general areas:

- *Planning System*

Collaborative planning among agencies is conducted for the purpose of reducing duplication and increasing resource efficiency, policy responsiveness and program performance. Joint planning functions/activities include the development of interagency agreements which identify shared service arrangements, shared staff, joint funding and programming. The development of guidelines, policies, and program designs to achieve common goals should be an on-going process.

- *Referral/Intake/Assessment System*

A key purpose in coordination is to design a system that increases the participant's access to programs while reducing the confusion caused by conflicting eligibility requirements. Moving in the direction of common intake application and referral procedures, a central point for intake, and the development of shared assessment tools increases service accessibility and efficiency.

- *Data Systems*

Developing data systems focused on common client groups, common outcomes and compatible reporting requirements are key management components. Common data systems assist in establishing an orderly approach to implementing program coordination and monitoring service effectiveness. Shared data includes: labor market information, participant characteristics, program activities, program performance/outcomes.

- *Client Management Systems*

The level of intervention, provision of services, and/or the involvement of other service agencies are all determined by the individual's needs and the particular mix of available services in the local area. Case management is an approach which assists clients and families to engage problem-solving to: 1) identify needs and goals; 2) explore possible solutions and action plans, and; 3) mobilize informal as well as formal support systems to achieve increased independence.

A client management approach to services has been recommended by the JTPA National Advisory Council as a way to promote the delivery of quality services to participants particularly those with multiple barriers to employment. The National Advisory Council states that, "Greater emphasis should be given to individualized assessment and case management to ensure that appropriate services are provided."

- *Systems Evaluation of Results*

Establishing a system whereby local programs/agencies report their program results to the local Private Industry Council is an important step in coordination. Jointly setting standards for increased skills, employment, earned income and reduced welfare gives real meaning to coordination and provides a means of measuring the results of coordination.

The coordination criterion requires that, to the extent possible, SDAs document whether participant needs are addressed in a uniform and consistent manner by all agencies involved in the provision of services. In order to meet this requirement, the specific barriers for each participant will be clearly identified through a comprehensive assessment. His/her goals and objectives must be specified. The services needed to meet these goals are identified in the areas of support services, basic education, employment and job training, and placement.

While the Agency Profile Work Sheet represents the plan for how the SDA will enhance coordination efforts with each key agency in the local area, the degree to which the SDA is able to implement these planned activities will be described in the SDA's Annual Report to the Governor for PY90 and PY91.

TABLE 1

STATE LEVEL COORDINATION EFFORTS

AGENCY	CURRENT COORDINATION ACTIVITIES	PLANNED COORDINATION ACTIVITIES
Texas Education Agency	<ul style="list-style-type: none"> • Joint At-Risk Youth Policy • Information Sharing • Interagency Council on At-Risk Youth • Dropout Prevention and Recovery • 8% Programs • State Carl D. Perkins Plan Review • Joint Literacy Initiatives • Development of Alternative Education System • Technical Assistance Guides 	<ul style="list-style-type: none"> • Initiate Interagency Agreement • Participation in Joint Conferences • Joint Clearinghouses on At-Risk Youth • Joint Planning of JTPA/Adult Education Projects • Accreditation of Alternative Education Curriculum • Academic Credit for Training • Literacy Initiatives
Texas Department of Human Services	<ul style="list-style-type: none"> • Joint Pilot Projects on JTPA/AFDC Services • Interagency Work Group for REFOCUS and JOBS • AFDC/Food Stamp/JTPA Referral Form • Joint Issuances • Universal Eligibility/Referrals 	<ul style="list-style-type: none"> • Continuation of Current Projects • Joint Local Meetings • Model Projects Expansion • Interagency Agreements at Regional Level • Joint Issuances, as required • Joint Employability Assessments • Joint training for JOBS Implementation • Literacy Activities/State Literacy Council
Texas Employment Commission	<ul style="list-style-type: none"> • Veterans Title IVC Match • Project RIO • AFDC Enhancement Projects • Unemployment Insurance Wage Record Follow-Up System • Statewide Immigration Assistance • Labor Market Information (LMI) • Trade Assistance Programs • Dislocated Worker Programs • Job Services 	<ul style="list-style-type: none"> • Continuation of Current Activities • Coordination with Child Care Clearinghouse • Literacy Initiatives • Employability Assessment • Communities in Schools
Texas Rehabilitation Commission	<ul style="list-style-type: none"> • Cooperative Agreement 	<ul style="list-style-type: none"> • Literacy Initiatives

TABLE 1 (continued)

STATE LEVEL COORDINATION EFFORTS

AGENCY	CURRENT COORDINATION ACTIVITIES	PLANNED COORDINATION ACTIVITIES
Texas Department of Corrections Governor's Criminal Justice Division	<ul style="list-style-type: none"> • Reading to Reduce Recidivism (3-Rs) Project 	<ul style="list-style-type: none"> • Computer-assisted Instructional Models
Texas Department of Agriculture	<ul style="list-style-type: none"> • Dislocated Farmer Programs 	<ul style="list-style-type: none"> • Agricultural Workers/Immigration Programs
Texas Higher Education Coordinating Board	<ul style="list-style-type: none"> • Regional Planning Pilot Projects • Joint Planning • Labor Market Information Sharing • Youth Opportunities Unlimited 	<ul style="list-style-type: none"> • Literacy Initiatives • Joint Conferences • Expansion of Regional Planning in Texas
Texas Department of Commerce	<ul style="list-style-type: none"> • Community Development Block Grant Programs • Small Business Assistance 	<ul style="list-style-type: none"> • Continuation of Current Activities
Texas Youth Commission	<ul style="list-style-type: none"> • Interagency Taskforce on At-Risk Youth 	<ul style="list-style-type: none"> • Continuation of Current Activities
"Integrated Human Investment System" (HIS) SJTCC/Multi-Agency Initiative	<ul style="list-style-type: none"> • Concept Document/Booklet • Interagency Meetings • SJTCC Orientation • Planning Structure 	<ul style="list-style-type: none"> • H.I.S. Symposium • Identification of Barriers to Integration • Development of Tools for Integration • Development of H.I.S. Action Plan • Initiation of Local Pilot Design • Development of Evaluation of Pilots
Other	<ul style="list-style-type: none"> • Identify appropriate agencies that provide homeless assistance and alcohol and drug abuse awareness 	<ul style="list-style-type: none"> • Coordinate with appropriate agencies and disseminate information on exemplary programs • Identify training needs for homeless and alcohol and drug abuse awareness

IV. ANALYSIS OF THE TEXAS LABOR MARKET

PROFILE OF TEXAS EMPLOYMENT OPPORTUNITIES

A. EXECUTIVE SUMMARY: A VIEW OF THE TEXAS ECONOMY

"In truth, there is no way to predict what Texas' growth industries will be in the early 2000's because the technological change and international market forces are altering comparative advantages at almost breakneck speed." This quote from SMU economist, Bernard Weinstein flashes a pragmatic light to those persons trying to envision the Texas economy in 15 years. The 1990's will most likely present a job market. of unprecedented volatility: more limited job security but considerable opportunity. Certainly much of our past industry growth can be attributed to the tremendous natural resources abundant in Texas and yet the time has come where Texans will have to work harder and smarter if they hope to enjoy continued economic growth. Although we cannot know with certainty where tomorrow's jobs will be, there are specific economic and demographic phenomena affecting Texas and the Nation which will provide some good indications.

The State Comptroller has predicted that growth during the next two decades will be slower but steadier than the recent past. He also sees a broader group of industries providing the catalyst. Based on some significant structural changes taking place in both the Texas and National economies, almost three out of every four new Texas jobs will come in service-producing industries. More specifically, business services, health services and eating and drinking places are expected to lead employment growth. Business services includes mostly small businesses, many of which are filling niches for services which have historically been performed by departments within a larger firm. Health services will maintain its steady growth rate as our population ages and requires more medical care as well as continues to become more health and fitness conscious. Much of the employment expansion will come in more efficient alternative medical treatment centers and nursing care facilities. Higher levels of personal income and increasing consumer preference for dining out will lead to greater employment in eating and drinking places, even though this industry is dominated by part time workers.

The Texas economy has historically ebbed and flowed with the price of oil. Oil prices are expected to range between \$15 and \$25 a barrel through 1991. Most experts agree that the bottom of the 1986 collapse is past but many factors can still play havoc with oil prices including OPEC decisions, federal legislation, international currency fluctuation and catastrophic events. The State Comptroller predicts oil prices to trend slowly upward through the year 2000. Although the number of oil and gas production/extraction jobs will continue to decline as a percentage of total employment, Texas will remain a world energy center and serve as a technical and financial hub - especially in the area of oil and gas services. Many economists agree with Houston oil independent Marvin Zeid, quoted here from the April 1987 issue of Texas Business, "... the energy industry recovery will take two to five years and will never pack the kind of wealth-creating punch Texas was used to in terms of bountiful high-paying job opportunities, state and local revenues or bankable expectations."

Changing technology in the form of revamped production processes, new products and changing skill requirements will have an effect on the types of occupations which will be associated with each industry sector. Current employment patterns, however, will continue to be reflective of the vast majority of potential near term job opportunities. Employers will continue to stress enhanced basic skills training at the secondary level and increased technical and scientific background from college graduates.

Although there is some disagreement on the projected structure of both the Texas and National labor markers, it is clear that proliferation of automation/computer applications will both create need for additional skills (robotics/automation repair technicians, engineers/engineering technicians) and reduce the need for others (bank tellers, production/assembly workers). It is

uncertain what the net effects will be over the long term. It seems likely, however, that the 1990's will bring growing demand disparity for occupations at both ends of the skill spectrum - large numbers of service-oriented occupations in direct public contact (with lower relative wages and training requirements) and like numbers of highly skilled technicians, managers and scientists holding high paying jobs with extensive skill requirements. As traditional career ladders between these groups disappear, the need for career reorientation, ongoing and additional skill training should increase markedly.

B. BACKGROUND: A MORE SERVICE-ORIENTED ECONOMY

The extent of occupational job opportunities is in large part determined by those industries which are expanding. Industrial growth will dictate the number of net new jobs created, while labor turnover will create additional openings. The types of skills (occupations) which will be in demand will be determined by those sectors which exhibit the greatest growth and replacement demand.

There has been considerable attention focused on the transition of the national economy away from a goods producing base and becoming more service oriented. This trend has been occurring nationally since 1945 when 45.5 percent of employment was in goods production and 54.5 percent in services. Table 1 documents the emerging employment significance of the service sector. Since 1970 both the U.S. and Texas have shown a steady percent increase in service employment. The U.S. reached 76.05 percent concentration in 1989 and Texas has risen from 70.3 percent in 1970 to 77.97 percent by 1989.

TABLE 2

COMPARISON OF GOODS PRODUCING VS. SERVICES EMPLOYMENT
OF THE U.S. AND TEXAS FOR 1970 THROUGH 1988

	UNITED STATES		TEXAS		
	PERCENT GOODS- PRODUCING	PERCENT SERVICE- PRODUCING	PERCENT GOODS- PRODUCING	PERCENT SERVICE- PRODUCING	
1970	33.26%	66.74%	1970	29.70%	70.30%
1971	32.21%	67.79%	1971	28.66%	71.34%
1972	32.12%	67.88%	1972	28.36%	71.64%
1973	32.42%	67.58%	1973	28.55%	71.45%
1974	31.68%	68.32%	1974	28.78%	71.22%
1975	29.37%	70.63%	1975	27.76%	72.24%
1976	29.42%	70.58%	1976	28.24%	71.76%
1977	29.52%	70.48%	1977	28.50%	71.50%
1978	29.51%	70.49%	1978	28.97%	71.03%
1979	29.46%	70.54%	1979	29.30%	70.70%
1980	29.38%	71.62%	1980	29.42%	70.58%
1981	27.97%	72.03%	1981	29.78%	70.22%
1982	26.59%	73.41%	1982	28.41%	71.59%
1983	25.87%	74.13%	1983	26.65%	73.35%
1984	26.17%	73.83%	1984	26.49%	73.51%
1985	25.49%	74.51%	1985	25.54%	74.46%
1986	24.68%	75.32%	1986	23.77%	76.23%
1987	24.22%	75.78%	1987	22.39%	77.61%
1988	24.11%	75.89%	1988	22.13%	77.87%
1989	23.94%	76.05%	1989	22.03%	77.97%

SERVICE-PRODUCING = TRANSPORTATION, WHOLESALE/RETAIL TRADE, FINANCE, INSURANCE, REAL ESTATE, SERVICES, AND GOVERNMENT

GOODS-PRODUCING = CONSTRUCTION, MINING AND MANUFACTURING

Although the invention of new technologies and productivity growth in manufacturing and agriculture have been the major drivers of national economic growth over the past two centuries, an expanding service sector is a natural progression of a mature economy. It should be remembered that everything that happens to a product after it has been manufactured falls into the service sector. This includes handling and transportation, marketing, wholesale and retail distribution, financing and a host of other activities. Moreover, the maintenance of our population in terms of health care, entertainment, insurance, sanitation, etc. all fall under "service" activities. The ECONOMIST magazine once defined services as "anything sold in trade that could not be dropped on your foot" and indeed the scope of personal business services in Texas is very broad and diverse.

C. FIRM SIZE AND TEXAS EMPLOYMENT

There were roughly 285,712 Texas firms employing over 6.6 million workers in the first Quarter 1989. Over half of these firms had fewer than four employees, while the 757 firms with 1,000 or more persons employed over a third of the Texas workforce. The following chart shows the breakdown of Texas firms by employment size class.

EMPLOYMENT BY SIZE CLASS

Employment Size Class	Number of Firms	Percent of Total	Total Employment	Percent of Total
1-4	154,636	54.12%	327,795	4.92%
5-9	57,742	20.21%	378,210	5.68%
10-19	34,276	12.00%	461,107	6.92%
20-49	22,534	7.89%	683,625	10.26%
50-99	8,076	2.83%	555,983	8.34%
10-249	5,049	1.77%	767,505	11.52%
250-499	1,782	.62%	615,684	9.24%
500-999	860	.30%	600,767	9.02%
1,000 & More	757	.26%	2,273,170	34.11%
TOTAL	285,712	100.00%	6,663,846	100.00%

Source: TEC -- Covered Wages and Employment, 1st QTR 1989.

Although national research indicates that the majority of job growth will come in smaller firms, the Texas recession of 1986-87 took its toll on small businesses. The firms which have shown employment expansion in the past two years have been the medium sized firms from 100-999 employees. There is some new research which indicates that most small businesses do not grow on their own but rather acquire other companies to expand their scope of activities. This growth is not job creating but "reshuffling" of already employed people. The quality of jobs created by small business, especially in the service sector, has also come into question.

It is expected, however, that Texas trends will look more like those of the nation by the early 1990s with small firms accounting for a greater percent of net new job growth. This complicates the job search process for individuals because more contacts are required at the many smaller firms to identify the same number of job openings that a single large employer might otherwise provide. Moreover, smaller firms tend to have less well-defined occupational responsibilities so an individual may be required, for example, to do marketing, accounting and bookkeeping all within on job title. On the positive side, smaller firms have smaller bureaucracies and therefore greater opportunity for personal growth and promotion.

D. LABOR FORCE TRENDS

Unemployment rates in Texas have been trending downward from a 1986 annual average high of 8.9 percent to 6.7 percent for calendar 1989. Table 3 shows annual average unemployment rates for each Texas SDA from 1985 through 1989. Three border SDAs, Hidalgo-Willacy, Middle Rio Grande and South Texas once again had the highest rates for 1989 -- each area with rates more than twice the state average. The lowest rates belonged to the suburban SDAs surrounding Dallas, Tarrant, and Harris counties. Also among the lower rates were the three panhandle region SDAs.

TABLE 3

UNEMPLOYMENT RATES FOR TEXAS SERVICE DELIVERY AREAS 1985-1989

TEXAS SDAs	ANNUAL AVERAGE UNEMPLOYMENT RATES (PERCENT)				
	1985	1986	1987	1988	1989
TEXAS	7.0	8.9	8.4	7.3	6.7
ALAMO	5.7	7.1	7.7	7.5	7.1
BRAZOS VALLEY	5.5	7.4	6.7	5.4	4.9
CAMERON COUNTY	14.5	15.9	14.4	13.3	12.0
CAPITOL AREA	3.7	5.5	6.2	6.1	5.4
CENTRAL TEXAS	6.5	7.7	7.6	7.4	7.2
COASTAL BEND	8.1	13.3	11.7	9.4	8.2
CONCHO VALLEY	5.1	7.7	6.5	5.8	6.3
BAL. OF DALLAS CO	3.8	4.6	5.1	4.7	4.4
CITY OF DALLAS	4.7	5.7	7.2	6.7	6.3
DEEP EAST TEXAS	8.7	10.7	9.2	7.8	7.1
EAST TEXAS	7.6	10.0	9.2	7.8	7.4
FT. WORTH CONSORT.	5.1	6.6	7.6	6.9	6.2
GOLDEN CRESCENT	6.4	9.5	8.3	6.7	5.8
GULF COAST	8.1	10.4	9.4	7.4	6.5
BAL. OF HARRIS CO.	6.8	9.0	7.8	6.0	5.1
HEART OF TEXAS	5.7	7.6	7.8	6.8	5.8
HIDALGO-WILLACY	18.7	19.5	17.9	16.9	16.6
CITY OF HOUSTON	7.8	10.3	9.6	7.3	6.3
LUBBOCK/GARZA	6.1	6.9	6.3	5.4	5.1
MIDDLE RIO GRANDE	18.1	19.9	17.4	16.9	16.4
BAL OF NORTH CENTRAL	4.7	6.0	6.4	5.7	5.3
NORTH EAST TEXAS	8.5	11.3	10.0	8.4	8.2
NORTH TEXAS	5.3	7.9	7.1	5.8	5.5
NUECES COUNTY	9.1	11.7	11.3	9.2	8.1
PANHANDLE	5.8	7.1	6.2	5.6	5.2
PERMIAN BASIN	5.8	12.2	9.8	7.0	7.1
SOUTH EAST TEXAS	13.5	14.4	12.5	10.4	9.0
SOUTH PLAINS	5.8	9.2	7.1	5.4	5.2
SOUTH TEXAS	18.2	21.4	19.9	17.9	16.7
BAL OF TARRANT CO.	4.1	5.3	5.6	5.1	4.6
TEXOMA	6.6	7.6	7.8	6.7	6.2
AUSTIN/TRAVIS CO.	4.3	5.7	6.5	6.0	5.4
UPPER RIO GRANDE	10.6	11.3	10.6	10.6	10.2
WEST CENTRAL TEXAS	5.4	8.7	8.0	6.4	6.4

Source: Unemployment Rates are produced by the Texas Employment Commission/ Economic Research and Analysis Section.

The Texas Employment Commission notes that although the 1989 statewide unemployment rate of 6.7 percent was the lowest in Texas since 1984, it remains almost one and a half percentage points above the national rate. Although through much of recent history the Texas rate has been well below the national rate, Texas has failed to pick up much ground since that situation reversed itself beginning in 1986.

Because the unemployment rates are largely a function of the level of civilian labor force, this indicator lends additional insight into the Texas labor market. The South Texas and Cameron County SDAs had the highest percentage increase in their labor force from January 1988 through January 1990. Despite the outstanding percentage increase in wage and salary jobs in these areas, clearly the lower border region is experiencing labor force growth in excess of its ability to absorb new workers.

The Texas labor force grew at just under 2 percent for the January 1988 – January 1990 period, considerably below the national rate of 2.97 percent over the same period. Of the 34 Texas SDAs, fifteen experienced new losses in their labor force totals. The city of Dallas suffered the greatest new decline of 16,786, while the Alamo area lost a net 9,244 and the Balance of Dallas County lost another 9,140. On the other side of the balance sheet, the city of Houston gained a net 50,753 over the period, followed by North Central Texas and the Balance of Harris County with gains of 26,177 and 25,951 respectively. Well after the initial shocks of the 1986 oil price plunge, the West Texas trio of Permian Basin, Concho Valley and West Texas lost a combined 5,495 net labor force participants or 1.5 percent over the 2 year period.

E. EMPLOYMENT TRENDS

Clearly, the greatest percentage increase in wage and salary employment between the first quarter 1988 and the first quarter 1989 took place in the three border SDAs of South Texas, Cameron County and Hidalgo-Willacy. Table 4, sorted by percent increase during this period, also shows employment declines in the South Plains, Permian Basin, Nueces County and eight other Texas SDAs. Overall, Texas added 167,049 jobs between the 2 first quarter periods, representing a fairly robust 2.6 percent. Harris County (including the city of Houston), with a net increase of 62,721 was far and away the job growth leader in the state – a trend which has continued through the first three quarters of 1989. Despite a relatively weak growth period during PY 1988, Dallas County has rebounded during calendar 1989 adding 23,883 jobs during the first three quarters of 1989. Despite a strong expansion during the PY 1988 period, Hidalgo-Willacy has shown a marked decline from the first quarter 1989 through the third quarter 1989 – a phenomenon more attributable to seasonal variability in that economy than deteriorating economic conditions. According to the Comptroller, the valley area is expected to continue its growth in retail activity and Maquiladora manufacturing, though at a somewhat reduced rate of expansion. The fuller extent of the December 1989 freeze has yet to be recorded in the data and clearly will have some marked short-term impact.

TABLE 4

**TOTAL COVERED EMPLOYMENT (QUARTERLY AVG.) FOR TEXAS JTPA SERVICE DELIVERY AREAS
ABSOLUTE AND PERCENT CHANGE IN EMPLOYMENT
1STQTR88 THROUGH 3RDQTR89**

Sorted by Percent Change -- 1stQtr88 - 1stQtr89

SDA NAME	(1987 SIC)	(1987 SIC)	(1987 SIC)	(1987 SIC)	(1987 SIC)	(1987 SIC)	(1987 SIC)	Absolute	Percent	Absolute	Percent
	1-88 1stQtr88	2-88 2ndQtr88	3-88 3rdQtr88	4-88 4thQtr88	1-89 1stQtr89	2-89 2ndQtr89	3-89 3rdQtr89	Change 1stQtr 88- 1stQtr88-	Change 1stQtr 88- 1stQtr 89	Change 1stQtr 89- 3rdQtr 89	Change 1st Qtr 89- 3rdQtr 89
SOUTH TEXAS	44,858	47,016	45,864	48,009	48,955	50,780	48,392	4,097	9.13%	(563)	-1.15%
CAMERON COUNTY	66,330	68,070	68,715	70,465	71,922	73,592	72,427	5,592	8.43%	505	0.70%
HIDALGO/WILLACY	106,340	111,756	100,475	112,643	113,962	119,084	105,562	7,622	7.17%	(8,400)	-7.37%
NORTH CENTRAL TEXAS	264,096	269,863	268,448	274,714	278,613	283,334	282,015	14,517	5.50%	3,402	1.22%
HARRIS COUNTY	1,282,052	1,311,979	1,326,562	1,348,104	1,344,773	1,373,951	1,385,082	62,721	4.89%	40,309	3.00%
UPPER RIO GRANDE	192,871	195,194	200,087	200,291	200,326	207,592	208,789	7,455	3.87%	8,463	4.22%
GULF COAST	277,846	284,339	283,997	287,136	288,313	296,486	295,526	10,467	3.77%	7,213	2.50%
BRAZOS VALLEY	75,218	76,420	75,780	79,101	77,878	79,402	78,706	2,660	3.54%	828	1.06%
DEEP EAST TEXAS	84,870	87,207	87,862	89,566	87,805	87,883	87,416	2,935	3.46%	(389)	-0.44%
CENTRAL TEXAS	82,371	84,728	85,491	85,912	84,507	86,609	85,690	2,136	2.59%	1,183	1.40%
HEART OF TEXAS	95,313	96,815	97,021	98,764	97,686	98,913	97,983	2,373	2.49%	297	0.30%
TRAVIS CO.	304,320	307,021	302,597	310,386	311,568	313,763	310,899	7,248	2.38%	(669)	-0.21%
SOUTHEAST TEXAS	126,259	129,242	130,536	131,978	129,112	130,412	130,452	2,853	2.26%	1,340	1.04%
ALAMO	525,513	531,807	534,251	539,554	537,248	546,573	542,942	11,735	2.23%	5,694	1.06%
TARRANT COUNTY	473,524	484,765	485,868	484,671	484,081	493,980	493,689	10,557	2.23%	9,608	1.98%
LUBBOCK/GARZA	91,717	93,033	92,507	95,185	93,489	94,013	93,430	1,772	1.93%	(59)	-0.06%
EAST TEXAS	202,380	207,904	207,363	210,455	205,801	209,204	208,762	3,421	1.69%	2,961	1.44%
GOLDEN CRESCENT	54,545	54,816	54,734	55,657	55,422	55,842	55,633	877	1.61%	211	0.38%
DALLAS COUNTY	1,141,532	1,156,528	1,164,659	1,173,819	1,153,474	1,166,363	1,177,357	11,942	1.05%	23,883	2.07%
NORTH EAST TEXAS	84,578	86,690	86,270	86,349	85,208	86,697	86,704	630	0.74%	1,496	1.76%
WEST CENTRAL TEXAS	99,521	100,066	99,740	101,709	99,776	100,473	100,504	255	0.26%	728	0.73%
CAPITOL AREA	74,638	75,241	74,313	75,770	74,805	75,827	75,273	167	0.22%	468	0.63%
COASTAL BEND	51,172	51,630	51,064	51,688	51,267	52,179	51,205	95	0.19%	(62)	-0.12%
NORTH TEXAS	74,997	76,491	76,670	76,649	74,878	77,063	76,045	(119)	-0.16%	1,167	1.56%
TEXOMA	49,984	51,470	51,549	51,136	49,892	50,604	50,764	(92)	-0.18%	872	1.75%
PANHANDLE	135,937	139,253	141,533	141,476	135,478	135,468	136,210	(459)	-0.34%	732	0.54%
MIDDLE RIO GRANDE	32,420	32,430	31,157	32,109	32,198	33,360	32,137	(222)	-0.68%	(61)	-0.19%
CONCHO VALLEY	48,993	49,398	49,494	49,816	48,482	48,943	48,215	(511)	-1.04%	(267)	-0.55%
PERMIAN BASIN	131,184	132,774	133,595	133,313	129,764	130,537	130,670	(1,420)	-1.08%	906	0.70%
NUECES COUNTY	108,531	110,390	111,594	111,651	105,500	107,514	107,545	(3,031)	-2.79%	2,045	1.94%
SOUTH PLAINS	41,098	39,989	42,040	42,868	39,865	39,920	41,945	(1,233)	-3.00%	2,080	5.22%
TEXAS STATE TOTAL	6,425,008	6,544,325	6,561,836	6,650,953	6,592,057	6,706,371	6,697,979	167,049	2.60%	105,922	1.61%

F. RECENT AND HISTORICAL EMPLOYMENT CHANGE: WINNERS AND LOSERS

At the aggregate level, recent and historical changes in Texas employment show the devastating effect of the first Quarter 1986 oil price plunge in conjunction with a declining construction sector due to overbuilding.

Table 5 shows that Texas lost a net -97,189 jobs during the first Quarter 1986 through the first Quarter 1988 period, a time which can be characterized as a Texas recession.

TABLE 5

RECENT AND HISTORICAL CHANGES IN TEXAS EMPLOYMENT

	1st Qtr86-1st Qtr88		1st Qtr88-1st Qtr89	
	Absolute Change	Percent Change	Absolute Change	Percent Change
Texas Total (Incl. Govt.)	(97,189)	-1.49%	174,221	2.70%
Goods-Producing	(167,247)	-9.81%	(14,271)	-0.93%
Agriculture	14,192	21.85%	2,146	2.74%
Construction	(103,281)	-24.24%	(14,543)	-4.51%
Mining	(54,073)	-22.53%	(16,906)	-9.10%
Manufacturing	(24,085)	-2.47%	15,032	1.58%
Service-Producing	70,058	1.45%	188,492	3.84%
Trans/Public Utilities	7,305	2.06%	13,680	3.79%
Wholesale Trade	(31,080)	-7.07%	17,103	4.17%
Retail Trade	(28,821)	-2.32%	31,319	2.59%
Finance, Insurance & Real Estate	(11,480)	-2.66%	(2,942)	-0.70%
Services	87,909	7.06%	96,127	7.17%
Government	46,225	4.11%	33,205	2.84%

Source: Texas Employment Commission, Covered Wages and Employment

The Texas recession was further characterized by an unemployment rate that climbed from 6.9 percent in January 1986 to 8.4 percent in January 1988, reaching a peak in June 1986 at 11.1 percent. Every area in the state showed an improvement, however, in their 1988 annual average unemployment rate over the 1987 annual average rate. The Texas 1988 annual average rate was 7.3 percent.

From an industrial viewpoint, the total decline experienced in construction, mining (oil and gas) and manufacturing was offset somewhat by small growth in the service-producing sector. Although agricultural employment expanded by 14,192 jobs during the 1986-1988 period, over 43 percent of that number came in agricultural services such as crop services and farm labor management. As the first quarter 1988 signalled the bottom of the recession, most sectors showed improvement along with the aggregate economy. Though mining and construction

activity continue to lag the overall economy by losing a combined 31,449 jobs between the first quarter 1988 and the first quarter 1989, total manufacturing employment grew by 15,032 jobs over the same period. Leading the way however was the service producing sector which expanded by a robust 3.8 percent from the first quarter of 1988 to first quarter 1989. Every major industry in this sector showed growth except for the finance, insurance and real estate category which continued to suffer from a depressed real estate market and a restructuring of savings and loans offices.

In addition to health services and business services topping the employment growth chart from first quarter 1988 to first 1989, wholesale and retail trade had five detailed industries in the top ten (10) expanding sectors led by general merchandise stores and eating and drinking places. On the negative side, oil and gas extraction continued its slump, followed by construction and several construction related industries. Also experiencing employment decline were all sectors in the finance community except commercial banking which added 3,300 workers over the period. In the manufacturing sector, employment change was a mixed bag with transportation equipment and electronic equipment leading the way but printing and publishing, petroleum refining, lumber and apparel all experiencing declines. Expected decreases in federal defense spending and stagnant demand for computer chips will likely affect employment growth prospects for 1989 and 1990 in the transportation equipment and electronics industries respectively. State and local government continue to expand at a 3.3 percent rate.

At a more detailed level, business services and health services topped the list of employment gainers during both the first quarter 1986 - first quarter 1988 period and during the first quarter 1988 through first quarter 1989 period. Other industry sectors which have shown outstanding performance are represented in Table 6 titled Texas Standout Industries 1984 - 1988.

TABLE 6

Texas "Standout" Industries 1984-1988
Private Sector (Excluding Government)**

SIC	Industry Name	Employment			1stQtr88 Average Annual Wage	1stQtr88 Index to Statewide Average	Percent Change 1984- 1988	Percent Change 1986- 1988
		January 1984	January 1986	January 1988				
	STATE TOTAL	5,430,834	5,767,092	5,242,458	\$21,066	1.000	-3.47%	-9.10%
252	Office Furniture	1,430	1,523	1,919	\$21,530	1.022	34.20%	26.00%
272	Periodical/ Magazine Publishing	2,518	2,870	3,067	\$26,356	1.251	21.80%	6.86%
273	Book Publishing and Printing	2,606	2,101	3,098	\$23,620	1.121	18.88%	47.45%
283	Drugs Manufacture	3,473	4,242	4,852	\$30,892	1.466	39.71%	14.38%
322	Glass/Glassware, Pressed or Blown	2,933	3,493	3,637	\$28,823	1.368	24.00%	4.12%
372	Aircraft and Parts Manufacture	37,915	43,345	54,577	\$32,760	1.555	43.95%	25.91%
374	Railroad Equipment Manufacture	1,548	1,874	2,387	\$24,060	1.142	54.20%	27.37%
451	Certified Air Transportation	27,321	36,824	42,817	\$35,983	1.708	56.72%	16.27%
452	Noncertified Air Transportation	2,632	4,106	4,549	\$26,200	1.244	72.83%	10.79%
471	Freight Forwarding	4,750	5,117	5,536	\$22,341	1.061	16.55%	8.19%
495	Sanitary Services	3,810	4,655	5,115	\$28,584	1.357	34.25%	9.88%
605	Functions Related to Banking	1,404	1,797	2,043	\$29,842	1.417	45.51%	13.69%
616	Mortgage Bankers and Brokers	11,001	13,317	13,976	\$27,793	1.319	27.04%	4.95%

** Standout Criteria: Must meet all the following conditions:

- (A) 1,000 or more employment
- (B) Growth of 16% or more from 1984-1988
- (C) Growth of 4% or more from 1986-1988
- (D) Annual average wage greater than the state average

TABLE 6 (continued)

Texas "Standout" Industries 1984-1988
Private Sector (Excluding Government)**

SIC	Industry Name	Employment			1stQtr88 Average Annual Wage	1stQtr88 Index to Statewide Average	Percent Change 1984- 1988	Percent Change 1986- 1988
		January 1984	January 1986	January 1988				
621	Security Brokers and Dealers	11,369	12,854	14,974	\$77,011	3.656	31.71%	16.49%
632	Medical Service/Health Insurance	6,129	7,584	8,251	\$24,806	1.178	34.62%	8.79%
641	Insurance Agents, Brokers, Services	36,338	40,078	42,596	\$25,755	1.223	17.22%	6.28%
672	Investment Offices	674	992	1,802	\$51,858	2.462	167.36%	81.65%
673	Trusts/ Foundations Management	1,105	1,914	2,413	\$21,153	1.004	118.37%	26.07%
801	Offices of Physicians	55,351	61,533	67,344	\$39,828	1.891	21.67%	9.44%
807	Medical and Dental Laboratories	6,915	7,295	8,518	\$26,531	1.259	23.18%	16.76%
811	Legal Services, Total	37,559	45,625	53,122	\$37,750	1.792	41.44%	16.43%
862	Professional Membership Organizations	1,662	2,611	2,848	\$21,326	1.012	71.36%	9.08%
892	Non-Profit Research Organizations	2,008	2,592	2,964	\$26,663	1.266	47.61%	14.35%
893	Accounting, Auditing, & Bookkeeping Services	28,403	32,068	33,351	\$25,537	1.212	17.42%	4.00%
	"Standout" Totals	290,854	340,410	385,756	\$737,002	1.458	32.63%	13.32%
	Percent of Statewide	5.36%	5.90%	7.36%				

** Standout Criteria: Must meet all the following conditions:

- (A) 1,000 or more employment
- (B) Growth of 16% or more from 1984-1988
- (C) Growth of 4% or more from 1986-1988
- (D) Annual average wage greater than the state average

These industries all met the criteria of 1,000 or more employment, average wage greater than the state average and minimum growth of 16 percent between 1984 - 1988 and four percent from 1986 - 1988. Of special interest on Table 6 are the manufacture of aircraft and parts, commercial air transportation, legal services, accounting/auditing services, insurance agents and physician's offices. Also on Table 3 are several industries related to banking and finance which, although prosperous during the January 1984 - 1988 period, have suffered significant employment losses throughout 1988 and are projected to remain depressed through 1989.

G. INDUSTRY AVERAGE WAGES: IT DOES MAKE A DIFFERENCE

There are a number of factors which determine the average wages for any particular industry. Among these are the rates of productivity growth, the degree of unionization, the level of capital investment per employee, percentage of part-time workers and the relative skill requirements. For example, since about one-third of all those employed in the legal services industry are lawyers, which is a highly skilled occupation, the average industry wage will be relatively high. As another example, labor costs are such a small part of total costs in industries such as petroleum refining that firms tend to want a highly stable and dependable workforce to keep the equipment in operation. They are willing to pay a higher wage to keep employees from becoming disgruntled, walking out and idling the huge investment the firm has in capital equipment. This is equally true of deep sea transportation and airline industries whose very well-paid captains and pilots have among the strongest collective bargaining positions in the economy. On the other end of the scale, industries such as child care services, characterized by large numbers of part-time and comparatively lower skilled workers, have a lower average weekly wage.

TABLE 7

HIGHEST AND LOWEST PAYING INDUSTRIES IN TEXAS

SIC Code	Industry Name	1stQtr88 Average Annual Wage	1stQtr88 Index To Statewide Average	1stQtr88 Average Weekly Wage
TEXAS STATE AVERAGE		\$21,066	1.000	\$405
TOP 20 HIGHEST PAYING INDUSTRIES				
794	Commercial Sports Promoters	\$87,325	4.145	\$1,679
623	Stock and Commodity Exchanges	\$83,663	3.972	\$1,609
628	Stock/Commodity Financial Services	\$79,642	3.781	\$1,532
621	Security Brokers and Dealers	\$77,011	3.656	\$1,481
622	Commodity Contracts Brokers/ Dealers	\$75,309	3.575	\$1,448
671	Bank Holding Companies (Finance)	\$61,651	2.927	\$1,186
672	Management Investment Offices	\$51,858	2.462	\$997
639	Insurance Carriers/Underwriters	\$50,618	2.403	\$973
108	Metal Mining Services	\$49,325	2.341	\$949
132	Natural Gas Liquids (Mining)	\$46,788	2.221	\$900
131	Crude Petroleum/Nat. Gas Extraction	\$46,530	2.209	\$895
104	Gold and Silver Ore Mining	\$46,516	2.208	\$895
604	Trust Companies, Nondeposit	\$46,476	2.206	\$894
286	Industrial Organic Chemicals (Manuf)	\$46,366	2.201	\$892
282	Plastic/Synthetic Materials (Manuf)	\$44,216	2.099	\$850
291	Petroleum Refining	\$42,680	2.026	\$821
263	Paperboard Mills (Manufacturing)	\$42,628	2.024	\$820
461	Pipe Line Operators, Ex. Natural Gas	\$41,783	1.983	\$804
615	Business Credit Institutions	\$41,317	1.961	\$795
441	Deep Sea Foreign Transportation	\$41,073	1.950	\$790

Source: TEC/ERA, Covered Wages and Employment

TABLE 7 (continued)

HIGHEST AND LOWEST PAYING INDUSTRIES IN TEXAS

SIC Code	Industry Name	1stQtr88 Average Annual Wage	1stQtr88 Index To Statewide Average	1stQtr88 Average Weekly Wage
BOTTOM 20 LOWEST PAYING INDUSTRIES				
562	Women's Ready-To-Wear Stores (Retail)	\$9,199	0.437	\$177
533	Variety Merchandise Stores (Retail)	\$8,903	0.423	\$171
805	Nursing and Personal Care Facilities	\$8,782	0.417	\$169
793	Bowling Alleys/Billiard-Pool Halls	\$8,773	0.416	\$169
881	Private Households (Individuals)	\$8,446	0.401	\$162
734	Services to Dwellings/Other Buildings	\$8,227	0.391	\$158
581	Eating and Drinking Places	\$7,886	0.374	\$152
016	Vegetables/Melons Farms (Agriculture)	\$7,850	0.373	\$151
546	Retail Bakeries (Retail)	\$7,626	0.362	\$147
702	Rooming and Boarding Houses	\$7,508	0.356	\$144
835	Child Day Care Services	\$7,499	0.356	\$144
564	Children's/Infants' Wear Stores (Retail)	\$7,446	0.353	\$143
783	Motion Picture Theaters	\$6,885	0.327	\$132
809	Non-classified Health & Allied Services	\$6,754	0.321	\$130
082	Forest Nurseries/Seed Gathering	\$6,497	0.308	\$125
415	Operation of School Buses (Private)	\$6,433	0.305	\$124
791	Dance Halls, Dance Studios, and Schools	\$6,416	0.305	\$123
544	Candy, Nut, Confectionery Stores (Retail)	\$6,068	0.288	\$117
076	Farm Labor/Management Services	\$4,098	0.195	\$79
545	Dairy Products Stores (Retail)	\$4,001	0.190	\$77

Source: TEC/ERA, Covered Wages and Employment

Table 7 shows the average weekly wages for both the top 20 highest paying industries and the 20 lowest paying industries as of the first quarter 1988. The average wage for all industries in Texas was \$405 per week in the first quarter 1988 with service-producing industries averaging \$365 per week and goods producing industries averaging \$494. As Table 7 demonstrates however, many service-producing industries, such as financial securities brokers, have very high average weekly wages. Some manufacturing sectors, such as leather goods have relatively low average wages. Many of the retail trade industries which have a high proportion of younger workers and part-time workers appear in the 20 lowest paid industries.

H. INDUSTRY PROJECTIONS: A GLIMPSE AT THE FUTURE

Most analysts believe the economy has a bright future as Texas takes a more diversified economic base into the 1990s. As long as the national economy continues to grow in the 2-2.5 percent range, Texas should grow slightly above that average. Although the banking and financial community has had a difficult 1988 and will continue, in the aggregate, to suffer through 1990, other sectors of the economy will buoy Texas growth. The real estate and residential construction sectors will be slow to recover through 1991 with some localized expansion in specific areas of the state being the exception. A positive note for real estate recovery is that depressed property values make Texas a good bargain for investment and several major firms have already begun to take advantage of their values. Because of the changing industry mix, investment capital coming into Texas will be essential for sustained growth.

The Texas Employment Commission has recently unveiled industry projections to 1995 for Texas in the publication Texas Jobs 1995. Table 8 displays those sectors projected to have the greatest absolute number of jobs through 1995 and Table 9 shows those with the greatest percentage increase. The reader is reminded that these projections are likely based on historical trends. On a year to year basis there will likely be greater fluctuation than straight line change. These data, however, do not account for the cyclical fluctuations in the economy. Similarly, they do not reflect unanticipated economic factors, such as plant relocations, which occur after the analysis is complete.

TABLE 8

TEXAS INDUSTRY EMPLOYMENT PROJECTIONS 1985-1995:
Absolute Job Growth

SIC Code	Industry Name	Annual Average Employment 1985	1995	Change in Employment 85-95	Annual Growth Rate
TEXAS STATEWIDE TOTALS		6,767,503	8,653,726	1,541,223	2.28%
Top 20 Industries By Absolute Job Growth					
82	EDUCATIONAL SERVICES**	581,400	766,050	184,650	3.18%
80	HEALTH SERVICES**	440,950	607,050	166,100	3.77%
58	EATING AND DRINKING PLACES**	407,300	525,750	118,450	2.91%
73	BUSINESS SERVICES**	342,250	453,600	111,350	3.25%
50	WHOLESALE TRADE, DURABLES	263,077	312,839	49,762	0.19%
93	LOCAL GOVERNMENT EX. EDUC.	227,100	273,250	46,150	2.03%
54	FOOD STORES (RETAIL)	238,900	275,600	36,700	1.54%
36	ELECTRIC/ELECTRONIC EQUIPMENT**	116,500	149,400	32,900	2.82%
53	GENERAL MERCHANDISE STORES	159,850	191,800	31,950	2.00%
17	SPECIAL TRADE CONTRACTORS	258,800	290,400	31,600	1.22%
51	WHOLESALE TRADE, NON-DURABLES	165,526	196,837	31,311	0.19%
59	MISCELLANEOUS RETAIL STORES	178,400	208,900	30,500	1.71%
89	MISCELLANEOUS SERVICES	128,850	156,650	27,800	2.16%
55	AUTO DEALERS/RECREATIONAL VEHICLES	160,900	188,350	27,450	1.71%
48	COMMUNICATIONS (UTILITIES)**	90,200	116,700	26,500	2.94%
83	SOCIAL SERVICES**	88,400	114,700	26,300	2.98%
86	MEMBERSHIP ORGANIZATIONS**	87,500	113,250	25,750	2.94%
72	PERSONAL SERVICES	109,150	134,700	25,550	2.34%
27	PRINTING AND PUBLISHING**	79,350	103,150	23,800	3.00%
42	TRUCKING AND WAREHOUSING	107,750	131,250	23,500	2.18%
ABSOLUTE GROWTH TOTALS		4,232,153	5,310,226	1,078,073	2.55%
PERCENT OF TEXAS TOTALS		62.54%	61.36%	69.95%	

Source: TEC/ERA, Texas Jobs 1995

** Denotes appearance on both high growth and high percentage lists

TABLE 9

**TEXAS INDUSTRY EMPLOYMENT PROJECTIONS 1985-1995:
Percentage Job Growth**

SIC Code	Industry Name	Annual Average Employment 1985	1995	Change in Employment 85-95	Annual Growth Rate
TEXAS STATEWIDE TOTALS		6,767,503	8,653,726	1,541,223	2.28%
Top 20 Industries By Percentage Growth					
78	MOTION PICTURES	9,600	13,350	3,750	3.91%
45	AIR TRANSPORTATION	46,400	64,150	17,750	3.83%
80	HEALTH SERVICES**	440,950	607,050	166,100	3.77%
73	BUSINESS SERVICES**	342,250	453,600	111,350	3.25%
81	LEGAL SERVICES	44,000	58,050	14,050	3.19%
82	EDUCATIONAL SERVICES**	581,400	766,050	184,650	3.18%
84	MUSEUMS, ART GALLERIES, AND ZOOS	2,050	2,700	650	3.17%
39	MISC. MANUFACTURED GOODS	14,450	18,950	4,500	3.11%
27	PRINTING AND PUBLISHING**	79,350	103,150	23,800	3.00%
83	SOCIAL SERVICES**	88,400	114,700	26,300	2.98%
86	MEMBERSHIP ORGANIZATIONS**	87,500	113,250	25,750	2.94%
48	COMMUNICATIONS (UTILITIES)**	90,200	116,700	26,500	2.94%
37	TRANSPORTATION EQUIPMENT (MANUF)	79,600	102,850	23,250	2.92%
58	EATING AND DRINKING PLACES	407,300	525,750	118,450	2.91%
62	SECURITY/COMMODITY BROKERS- DEALERS	16,200	20,850	4,650	2.87%
36	ELECTRIC/ELECTRONIC EQUIPMENT**	116,500	149,400	32,900	2.82%
41	LOCAL AND INTERURBAN TRANSIT	9,200	11,750	2,550	2.77%
66	COMBINED REAL ESTATE, INSURANCE, ETC.	550	700	150	2.73%
67	HOLDING & OTHER INVESTMENT OFFICES, TOTAL	17,150	21,800	4,650	2.71%
61	CREDIT AGENCIES, OTHER THAN BANKS	62,300	78,700	16,400	2.63%
PERCENT GROWTH TOTALS		2,535,350	3,343,500	808,150	3.19%
PERCENT OF TEXAS TOTALS		37.46%	38.64%	52.44%	

Source: TEC/ERA, Texas Jobs 1995

** Denotes appearance on both high growth and high percentage lists

Each table lists the top 20 industries expected to have the greatest amount of growth. Nine industries appear on both the absolute growth and percentage growth tables. Topping the state in absolute growth was educational services (both public and private at all levels), followed by health services, eating and drinking places and business services. These same four industries also appear on the percent growth table which is led by motion picture theaters, airline transportation, health services and business services.

I. TEXAS OCCUPATIONAL EMPLOYMENT: GROWTH AND DECLINE

Job opportunities by occupation can be viewed two ways; (1) those occupations with the largest percentage growth, and (2) those occupations which will offer the greatest absolute number of jobs. Table 10 and 11 show the top 50 occupations for both of these categories.

TABLE 10
TOP 50 OCCUPATIONS IN TEXAS RANKED BY
PROJECTED ABSOLUTE EMPLOYMENT GROWTH

New OES Code	Occupational Title	Absolute Job Growth 1985-95	New OES Code	Occupational Title	Absolute Job Growth 1985-95
1. 49023	Cashiers	50,200	26. 63047	Security Guards	11,500
2. 49011	Salespersons, Retail	39,550	27. 68038	Child Care Workers	11,250
3. 97101	Truck Driver, All	37,950	28. 65026	Cooks, Restaurant	10,800
4. 32502	Registered Nurses	35,550	29. 25102	Systems Analyst, EDP	10,750
5. 19005	General Managers	34,350	30. 13002	Financial Managers	10,450
6. 67005	Janitors and Cleaners	31,050	31. 31302	Preschool Teachers	10,400
7. 65008	Waiters and Waitresses	27,400	32. 87102	Carpenters	9,450
8. 31308	Secondary Teachers	25,400	33. 49021	Stock Clerks, Sales Floor	8,950
9. 55347	General Office Clerks	24,550	34. 22505	Electric Engin Technicians	8,850
10. 31305	Elementary Teachers	23,700	35. 53905	Teacher Aides/Assistants	8,450
11. 66008	Nursing Aides/Orderlies	21,650	36. 85302	Auto Mechanics	8,150
12. 21114	Accountants/Auditors	20,300	37. 43002	Insurance Sales Agents	8,050
13. 85132	Main Repairers, General	19,900	38. 65005	Bartenders	7,450
14. 65038	Food Preparation Workers	19,250	39. 31521	Teacher Aides	7,300
15. 51002	Firstline Super, Clerical	15,600	40. 66011	Home Health Aides	7,250
16. 32505	Licensed Practical Nurses	14,800	41. 79014	Gardeners/Groundskeepers	7,200
17. 41002	Sales Supervisors	14,050	42. 55305	Receptionist	7,050
18. 49008	Sales Rep, Wholesale	13,750	43. 81002	Supervisors, Mechanics	7,000
19. 22126	Electrical Engineer	13,050	44. 65017	Counter Attendants	6,850
20. 25104	Computer Programmer/Aide	12,900	45. 93956	Assembler/Fabricator	6,750
21. 55338	Bookkeeping Clerks	12,450	46. 97111	Bus Driver, School	6,450
22. 65032	Cooks, FastFood/Short Order	12,150	47. 28108	Lawyers	6,400
23. 67002	Maids and Housecleaners	12,100	48. 49005	Sales Rep, Scientific	6,100
24. 65028	Cooks, Institution	11,850	49. 87202	Electricians	6,050
25. 68005	Hairstylist/Cosmetologist	11,650	50. 31311	Special Ed Teachers	6,000

Source: TEC/ERA, Texas Jobs 1995 Publication

TABLE 11

**TOP 50 OCCUPATIONS IN TEXAS RANKED BY
PROJECTED PERCENT EMPLOYMENT GROWTH**

	New OES Code	Occupational Title	Percent Job Growth 1985-95		New OES Code	Occupational Title	Percent Job Growth 1985-95
1.	28305	Paralegal Personnel	63.01%	26.	97114	Taxi Drivers/Chauffers	41.67%
2.	66005	Medical Assistants	54.39%	27.	31317	Non Voc-Ed Instructors	41.49%
3.	66011	Home Health Aides	53.90%	28.	53908	Advertising Clerks	41.38%
4.	32502	Registered Nurses	52.16%	29.	53905	Teacher Aides/Assistant	41.12%
5.	32911	Medical Records Technicians	50.00%	30.	32305	Occupational Therapist	40.74%
6.	22305	Marine Architects	50.00%	31.	22102	Aeronautical Engineers	40.30%
7.	92714	Textile Bleaching Operator	50.00%	32.	43104	Securities Sales Agents	40.15%
8.	87941	Continuous Mining Mach Op	50.00%	33.	25102	Systems Analyst, EDP	40.11%
9.	34032	Film Editors	50.00%	34.	32914	Nuclear Medicine Technician	40.00%
10.	85951	Bicycle Repairers	50.00%	35.	97702	Aircraft Pilots/Engineer	39.46%
11.	67011	Elevator Operators	50.00%	36.	63017	Correction Officers	39.27%
12.	68035	Welfare Service Aides	49.35%	37.	32916	Radiologic Technologists	39.19%
13.	32926	Electrocardiograph Techs	47.06%	38.	85502	PBX Installers/Repairer	39.08%
14.	25313	Actuaries	46.67%	39.	93102	Aircraft Assemblers	38.24%
15.	22126	Electrical Engineers	45.63%	40.	31111	Lecturers	38.10%
16.	68026	Flight Attendants	45.59%	41.	85908	Electromedical Equip Repair	37.50%
17.	32302	Respiratory Therapist	45.35%	42.	32908	Dental Hygienist	36.99%
18.	32928	Surgical Technician	45.24%	43.	22505	Electric Engin Technician	36.80%
19.	25104	Computer Programmer/ Aide	45.18%	44.	91711	Solder/Brazing Mach Operator	36.36%
20.	68021	Ushers/Lobby Attendants	43.75%	45.	34011	Reporters/Correspondents	36.36%
21.	32308	Physical Therapist	43.06%	46.	34047	Music Directors	36.36%
22.	97111	Bus Driver, School	43.00%	47.	34026	Camera Operators	36.36%
23.	32923	EEG Technicians	42.86%	48.	66002	Dental Assistants	36.05%
24.	24311	Medical Scientist	42.86%	49.	66026	Pharmacy Assistant	35.94%
25.	53805	Reservation Agents	42.58%	50.	34008	Public Relations Specialist	35.88%

Source: TEC/ERA, Texas Jobs 1995 Publication

It is important to remember the distinction between percent growth and absolute growth when analyzing the Texas economy. For example, para-legal personnel is expected to grow 63.01 percent between 1985 and 1995 but this represents only 428 annual average openings. Cashiers, on the other hand, are expected to grow 31.57 percent over the same period but average 9,805 openings per year. The fifty occupations listed on Table 10 represent slightly less than 50 percent of the total job growth expected through 1995.

Future job prospects are best identified by those occupations appearing on both lists. These high demand occupations are registered nurse, computer programmers, systems analyst EDP, electronic engineering technicians, home health aids and school bus drivers. Significantly, 15 of the top 50 fastest growing occupations in Texas are in the health services industry. This is consistent with national projections which show twelve of the twenty fastest growing occupations providing health services. On the negative employment side, almost one third of the occupations in decline are closely related to the oil and gas sector which is not expected to reach 1985 employment peaks again. Changes in technology and its application (e.g. computers, fiber

optics, electronic switching), business practices, production processes and the increased use of imported products will cause some traditional occupations to decline.

J. OCCUPATIONAL WAGES: HOW MUCH DOES IT PAY!

One of the major concerns of students and other job seekers is how much money is involved with the job. Table 12 represents the top 20 highest hourly paying and the bottom 20 lowest hourly paying occupations in Texas.

TABLE 12
OCCUPATIONAL HOURLY WAGE RATES IN TEXAS:
Wage and Salary Employment

TOP 20 HIGHEST PAYING OCCUPATIONS IN TEXAS

	New OES Code	Occupational Title	1986 Average Wage		New OES Code	Occupational Title	1986 Average Wage
1.	31206	Physics Teachers	\$21.88	11.	31222	Engineering Teacher	\$18.84
2.	22117	Nuclear Engineer	\$20.63	12.	22114	Chemical Engineer	\$18.03
3.	22111	Petroleum Engineer	\$20.37	13.	22102	Aeronautical Engineer	\$17.70
4.	32102	Physicians/Surgeons	\$19.30	14.	22123	Agricultural Engineer	\$17.63
5.	28105	Judicial Reviewers	\$19.18	15.	22126	Electrical Engineer	\$17.60
6.	28108	Lawyers	\$19.18	16.	27102	Economist	\$17.60
7.	22138	Marine Engineer	\$19.06	17.	19002	Public Admin. Executives	\$17.55
8.	32108	Optometrist	\$18.88	18.	24102	Physicist/Astronomer	\$17.45
9.	25313	Actuaries	\$18.87	19.	28102	Judge/Magistrate	\$17.40
10.	97702	Aircraft Pilots	\$18.35	20.	22135	Mechanical Engineer	\$17.18

BOTTOM 20 LOWEST PAYING OCCUPATIONS IN TEXAS

11.	62041	Child Care Worker (Private)	\$2.69	11.	65038	Food Preparation Worker	\$4.15
12.	68032	Locker Room Attendants	\$3.35	12.	68023	Baggage Porter/Bellhops	\$4.21
13.	53908	Advertising Clerks	\$3.63	13.	49032	Product Demonstrators	\$4.28
14.	68041	Funeral Attendants	\$3.70	14.	65011	Food Server, Outside	\$4.30
15.	65017	Counter Attendants	\$3.85	15.	65008	Waiter/Waitress	\$4.30
16.	61008	Housekeepers/Cleaners	\$3.90	16.	56005	Duplicating Machine Operator	\$4.40
17.	62031	Butler/Servants (Private)	\$3.90	17.	65032	Cook, Short Order	\$4.44
18.	89908	Layout Worker/Cutter	\$4.01	18.	93935	Cannery Worker	\$4.47
19.	65014	Dining Room Attendants	\$4.10	19.	92721	Sewing Machine Operator	\$4.48
20.	65002	Host/Hostess	\$4.10	20.	49023	Cashiers	\$4.53

Source: TEC/ERA, Texas Jobs 1995 Publication

The wage rates in Table 12 are for wage and salary employees and therefore do not reflect average wages for self-employed persons or persons who are paid whole or in part by commission or tips (gratuity). Salary levels for occupations such as physician, lawyer, architect, etc., with large numbers of self-employed, tend to be understated in these figures. Similarly, sales representatives, whose earnings are largely based on commission and can be quite varied, are not clearly reflected by these levels. Although an occupation may have a high or low wage rate, the salary for any specific job may vary widely for many reasons. Among these reasons for wage differences are the:

- difference between entry level wage and the average or prevailing wage. Newly employed persons generally make less.
- amount of union activity associated with a particular job. Union wages tend to be higher than non-union.
- number of part-time persons in an occupation which tends to lower the average wage. Part-time persons generally receive fewer benefits as well.
- differences between regions. Texas has areas which have both a higher and lower overall wage structure than the national average.
- differences among industry sectors where there are both high paying industries and lower paying industries in the aggregate.
- availability of trained persons to fill a job. If there is a shortage of trained persons employers are willing to pay more to attract qualified persons.
- differences in actual job duties/job skills even within the same occupational category.

The occupations on Table 12 reflect the importance of education on earnings. Each of the highest paying occupations, on average, requires at least a four-year college degree. The lowest paying occupations require minimal education or training past the high school level.

The data displayed in Table 13 further substantiates the strong relationship between education and earnings. As each level of training increases so does the average wage for all occupations requiring that level of training. Table 13 also shows the large number of job openings with a training level of one to three months and an even larger number of openings for jobs with two to four years of education and training. The average hourly wage for the lower training level jobs is less than 70 percent of the higher trained group. Data from a national survey in income shows that for all persons receiving bachelor degrees, bachelor degrees in engineering had the highest monthly earnings, followed by economics, business and the physical sciences. Those with the lowest average monthly earnings were home economics, liberal arts, english and psychology.

TABLE 13

RELATIONSHIP BETWEEN TRAINING AND WAGES FOR TEXAS

SUMMARY OF EMPLOYMENT AND WAGES FOR TEXAS OCCUPATIONS
USING DICTIONARY OF OCCUPATIONAL TITLES SVPT EDUCATION LEVELS

	Annual Average Openings	Pct. of Total Openings	1995 Employment	Pct. of 1995 Employment	1986 Average Wage
LEVEL 1	396	0.11%	9,270	0.10%	\$5.36
LEVEL 2	39,920	10.66%	945,700	10.47%	\$6.36
LEVEL 3	76,485	20.43%	1,805,990	19.99%	\$7.03
LEVEL 4	48,897	13.06%	1,167,070	12.92%	\$7.61
LEVEL 5	28,303	7.56%	761,070	8.42%	\$8.31
LEVEL 6	54,071	14.44%	1,254,574	13.89%	\$8.24
LEVEL 7	84,433	22.55%	2,073,770	22.96%	\$10.72
LEVEL 8	41,761	11.15%	1,013,570	11.22%	\$14.02
LEVEL 9	110	0.03%	2,660	0.03%	\$17.40
TOTALS	374,376	100.00%	9,033,674	100.00%	\$8.96

SPECIFIC VOCATIONAL PREPARATION TRAINING LEVELS (SVPT):

LEVEL 1	SHORT DEMONSTRATION
LEVEL 2	ANYTHING BEYOND SHORT DEMO UP TO/INCL. 30 DAYS
LEVEL 3	OVER 30 DAYS UP TO AND INCLUDING 3 MONTHS
LEVEL 4	OVER 3 MONTHS UP TO AND INCLUDING 6 MONTHS
LEVEL 5	OVER 6 MONTHS UP TO AND INCLUDING 1 YEAR
LEVEL 6	OVER 1 YEAR UP TO AND INCLUDING 2 YEARS
LEVEL 7	OVER 2 YEARS UP TO AND INCLUDING 4 YEARS
LEVEL 8	OVER 4 YEARS UP TO AND INCLUDING 10 YEARS
LEVEL 9	OVER 10 YEARS

K. TRENDS IN EDUCATION AND THE LABOR MARKET

In addition to the strong positive relationship between training and earnings, national studies show that persons completing high school have much greater work activity (unemployed less often) than dropouts. Persons with an associated degree or higher were unemployed less than half as long as high school dropouts. College graduates had an unemployment rate only one-sixth that of high school dropouts. The overall trend is toward declining opportunities for people who do not finish high school.

If you look at Texas job openings projections through 1985 sorted by the average education required for those jobs it appears there will be large numbers of jobs on both ends of the spectrum with fewer in between. This means there will be a greater number of openings for the college educated and for jobs requiring three-months or less training but fewer in the 6 months to 24 months categories. Given the relationship of education and earnings, this trend could lead to a widening income gap based on an investment in education. Many typical career ladders that allowed a worker to move from "the mailroom to the boardroom" will not be available without an investment in training. Declining numbers of new labor force entrants (especially youths), many of whom begin their worklife in jobs requiring minimal training, will probably cause wages for these jobs to rise somewhat.

Individual firms have begun to experience these labor shortages in some skilled and many unskilled positions. There is a growing noticeable lack of basic education skills from new labor force entrants. Many firms are promoting renewed emphasis on basic education and some have begun to take up the slack with their own in-house education programs. Most new jobs, especially those in the fastest growing categories will require higher language, math and reasoning skills. Even those lower skilled occupations will demand persons with greater basic skills of reading, understanding instructions, simple mathematics and oral communication. Introduction of an increased minimum wage may help with an anticipated labor shortage by attracting older workers back to the economy, but the demographics or declining labor force entrants will still present a challenge to the U.S. economy.

Moreover, the labor market will require continual flexibility and intermittent re-training. This will change the traditional life cycle of education leading to work leading to retirement. This process will be punctuated by more frequent education and retraining during the working years. The need to retraining will be dictated by changing firm structure and new business formation. More persons will find themselves working for smaller firms, many of which may not survive. Workers will be increasingly forced to change jobs, perhaps careers, which may require different hiring requirements and skills. National trends point toward greater entrepreneurial spirit as more persons will seek their niche in the economy and start their own business.

There are several other emerging trends predicted for the workplace of the 1990s. The 1988 edition of the NOICC Improved Career Decision Making curriculum singles out the following situations:

- Individuals accustomed to working with facts in a structural environment will find themselves involved in group brainstorming activities where they are expected to be creative and intuitive.
- Workers who thought they had "completed their education" and could concentrate on making a living are faced with the necessity of lifelong learning.
- Individuals who "did all the right things" may find that their chosen occupation no longer exists or the work environment to which they were accustomed has become significantly altered.
- Managers who became successful by focusing continuously on the "bottom line" will be asked to emphasize service in value driven enterprises and to articulate publicly their visions of the future.

Students and job seekers planning a career must remember to look ahead, for at least the period of training. In the case of a four-year college education, someone entering school in 1989 will be entering the labor market in 1993. This is when the results of career planning become important. According to the National Science Foundation, for example, despite the growing need for workers with college degrees in the sciences and engineering, over the past 30 years the proportion of college graduates in America in these disciplines has remained within the 3.7 percent to 4.3 percent range. If this percentage does not increase over the historic four percent level, there will be a projected 400,000 shortfall nationally of science and engineering graduates by 2000. This is especially significant given the decreasing number of new labor force entrants through 2000.

Opportunities of the future, both for individuals and America are rooted in education. U.S. News and World Report summarizes this point in its article, "Best Jobs for the Future." They state, "Better educated workers who can adapt to new technologies will discover many new jobs awaiting them in the next decade. Poorly educated workers unwilling or unable to learn new skills will find little that will pay enough to support a family." The inference is that those people who have learned "how to learn" on a continuing education basis will become more widely differentiated from those who cannot, or will not, learn. The State of Texas, with large increasing numbers of minority labor force entrants and high dropout rates, is faced with a significant challenge to better educate its workforce – both young and old. The prosperity of Texas for the year 2000 and beyond will depend on it.

V. SELECTION OF PROGRAM PARTICIPANTS/SIGNIFICANT SEGMENTS

V. SELECTION OF PROGRAM PARTICIPANTS/SIGNIFICANT SEGMENTS

A. SELECTION OF PROGRAM PARTICIPANTS

Section 141(a) of the Job Training Partnership Act specifies that services shall be provided to those who are most in need of employment and training programs and such services shall be provided equitably among substantial segments of the eligible population. Section 203 further defines the eligible population as economically disadvantaged. The selection of JTPA program participants encompasses both regulatory requirements and identification of those individuals with significant barriers to employment.

Who will be targeted for services is the most important planning decision to be made because it defines how the SDA interprets the needs of the local area. The answer to this question has several dimensions:

- Targeting of specific demographic characteristics (e.g., age, sex, race) and social-economic characteristics (e.g., welfare recipient, educational level, ex-offender) based on relative incidence in the eligible population;
- Targeting of specific groups based on generalized problems regarding employability (e.g., long-term unemployed, displaced homemakers, Viet Nam-era veterans);
- Targeting based on incidence and severity of barriers to gainful employment (e.g. limited skills, educational deficiencies, limited or variable work history, high dependency support requirements).

All of these dimensions are important because these planning decisions will determine not only who gets into the program, but also what employment-related barriers will need to be addressed.

The following factors help determine the appropriate focus of the local job training program and should be considered:

- legislated eligibility requirements;
- policy mandates regarding proportional incidence and minimum service levels to specific groups in the eligible population;
- labor market and program information identifying the employment barriers and needs of specific target groups;
- availability of resources to address employability barriers for specific groups;
- historical capability and willingness of available service providers to serve specific groups; and
- the impact of interagency coordination arrangements (e.g., TEC, TDHS, TRC, TEA) on target groups.

In planning quality JTPA programs, the decision of who will be targeted for services should be based on the incidence and severity of barriers to gainful employment as a criterion for targeting. The designation of groups to be served and employment barriers to be addressed will influence the range of feasible options in other decision areas. For example: (1) the entry requirements for some occupations will simply be beyond the range of trainable skills for the majority of members of certain target groups; and (2) the activity and service mix will need to be structured to address the

scope and severity of employment barriers. Also, the JTPA performance standards model uses participant characteristics as one major input in computing the applicable performance standards for the SDA.

B. SIGNIFICANT SEGMENTS

The selection of individuals to be served is further defined by the requirement to serve those who can most benefit from and are most in need of training, by specific requirements for service levels to recipients of Aid to Families with Dependent Children (AFDC) and school dropouts ages 16 and older, and by required rates of service to youth ages 16 - 21.

State policy for equitable services to "substantial segments" (i.e. significant segments) of the eligible population [Section 141 (a)] continues to be based on identifying the rates of incidence of population groups (based on race and sex) in the poverty population ages 16 - 55, compared to rates of incidence in the total population, ages 16 - 55. Those eligible individuals identified as significant segments on a statewide basis are females, Hispanics, and Blacks with a living standard below the poverty level. Accordingly, SDA Administrative Entities must determine rates for service to significant segments, using available census data, and are required to serve these population groups at a rate no less than the group's incidence in the eligible population, as a percent of total terminations. This methodology is the first step in determining those eligible individuals who are "most in need" of JTPA services.

Equitable levels of service to high school dropouts is defined as rates of service no less than the ratio of dropouts ages 16 - 24 to total persons ages 16 - 24 in the area, based on census data. Equitable levels of service to AFDC Recipients is based on the incidence of caretakers in the poverty population or the SDA's service level to this population during PY 1988, whichever is greater.

Required service levels to youth ages 14 - 21 are defined in Section 203(b) of the Act as a minimum expenditure of Title IIA funds available for the program year. These service levels are adjusted for each SDA by taking into account the ratio of economically disadvantaged adults

Beyond the required levels of service identified above, SDA Administrative Entities and Private Industry Councils must address the goal of providing quality JTPA programs by further identification of the barriers to employment faced by eligible individuals. Amelioration of these barriers will help determine program activities to be provided during the program year and program outcomes to be achieved by participants as they complete JTPA activities.

Continued coordination of service to school dropouts and AFDC recipients will be enhanced through Commerce's coordination agreement with the Texas Education Agency and through local coordination efforts with the Texas Department of Human Services as it implements the Job Opportunities and Basic Skills program during Program Year 90.

In accordance with House Bill 1010 Dropout Legislation and in keeping with JTPA/TEA Coordination Goal "6" of the Governor's Coordination and Special Services Plan (JTPA 88-89) the Texas Department of Commerce has contracted with the Texas Education Agency to develop and pilot an at-risk model system software package for use by at-risk coordinators in local school districts. The Public Education At-Risk System (ARS) is now used in ten schools districts to identify at-risk students and coordinate local efforts for maintaining students in school until graduation. Plans are underway to fund ARS distribution state-wide and to expand its utility to include referral of at-risk youth to JTPA and other appropriate services outside of the public education system.

VI. RESOURCE UTILIZATION

VI. RESOURCE UTILIZATION

A. RESOURCES AVAILABLE

The Secretary of Labor has provided the Governor with funding allocations for PY90 JTPA activities and services in Texas. Approximately \$252,848,030 has been allocated to the State of Texas under JTPA Titles IIA, IIB and III for PY90. In addition, the State has applied to the Secretary of Labor for Title IVC Veterans Programs funds. Table 14, "PY90 JTPA Funding," provides these program year appropriations by title and subpart.

B. PROJECTED RESOURCE UTILIZATION

JTPA programs are planned and implemented in the context of the overall mission, goals, and objectives adopted by the State Job Training Coordinating Council as well as program objectives developed for each major program area. These goals and objectives were discussed in Section II of this document.

The use of resources received from the major funding Titles are discussed in the following narrative:

1. Title IIA Adult and Youth Programs

There are two parts to the Title IIA funds: the 78% funds allocated directly to the SDAs by formula; and the 22% funds, which remain at the state level, earmarked for specific uses and/or target populations.

a. Training for Youth and Adults (78%)

The 78% fund is the largest single block of money available to the state. Funds are allocated directly to the SDA level for program services and activities for eligible adult and youth participants. Under the Act, the Private Industry Councils, in partnership with local Chief Elected Officials, plan and determine the participant and service/activity mix for the funds allocated to the SDA by formula, based on employment and demographic data. This plan is guided by statewide goals and objectives, coordination criteria, and performance standards established by the Governor.

At least 40% of the funds must be spent on eligible youth, subject to adjustment for variations in the relative size of the youth population in each local area. At least 90% of the participants must be economically disadvantaged. In addition, to target the limited resources and assure equity in service delivery, the state has adopted the policy that priority of service will be given to significant segments of the population. The statewide significant segments, identified using family income and unemployment analysis, include: unemployed females; Hispanics and Blacks below the poverty level; and economically disadvantaged youth.

The list of allowable activities and services for these funds is provided in Section 204 of the Act. These activities include occupational skills training, basic education skills training (reading and math), on-the-job training, youth employability enhancement programs and supportive services during training.

A number of cost limitations are applicable to Title IIA funds. A maximum of 15% of the funds allocated to each SDA may be used for administrative costs. A maximum of 30% of the funds allocated may be used for administrative costs and services combined. A

minimum of 70% of the funds allocated must be used for training. The state will allow a waiver of expenditures in excess of the limitation on support services if a Service Delivery Area meets the criteria stipulated in JTPA Section 108(c), which allow increased supportive service expenditures under certain conditions. The state has issued a policy for deobligation/reobligation of excess carryover funds to ensure that any unexpended funds will be available to SDAs which can use them.

TABLE 14
PY90 JTPA FUNDING

Title IIA:

78% (SDA Allocation)	\$119,369,397
8% (Education and Coordination)	\$12,243,015
3% (Older Workers)	\$4,591,131
6% (Performance/Training and Tech.Assist.)	\$9,182,261
5% (Administration)	\$7,651,884

Title IIA Total \$153,037,688

Title IIB (Summer Youth) \$59,944,324

**Title III
(Worker Readjustment/Dislocated Worker) \$39,866,018**

Title IVC (Veterans)(planned) \$527,000

TOTAL JTPA FUNDS \$253,375,030

Wagner-Peyser Funds Total \$50,652,021

Wagner-Peyser 10%
(Governor's Discretionary Funds) \$5,065,202

GRAND TOTAL \$ 304,027,051

b. State Level Funds (22 percent)

State-level funds (22 percent) include four distinct programs:

- Education and Coordination Programs (8 percent)
- Older Workers Programs (3 percent)
- Performance Incentives/Technical Assistance and Training (TAT) (6 percent)
- Administration (5 percent)

c. Education and Coordination (8%)

Section 123 of the Job Training Partnership Act (JTPA) sets aside 8 percent of each state's Title IIA allocation for the provision of programs coordinated with state and local education agencies. Specifically, 80 percent of the funds are for services to participants, while the remaining 20 percent may be used for activities such as coordination, research, evaluation, and state-level administration of 8 percent activities.

The 8% policy for PY90 was approved by the State Job Training Coordinating Council (SJTCC) and the Governor in February 1990 and continues and expands the 8% policy utilized from PY85 - PY89. The PY90 program continues to focus 8 percent policy and programs on two statewide goals: 1) improve the quality and level of services to at-risk youth; and 2) improve the basic skills functioning and job readiness of hard-to-serve adults. The state has stressed that 8 percent funds should be used to build and enhance overall capability to serve the two target groups through education and JTPA coordination that results in overall improvement in services to youth in Title IIA. This capacity-building function suggests direct provision of services through model approaches, as well as the building of: 1) joint planning capability between education and employment and training systems; 2) competency systems developed jointly by JTPA and education; 3) development of an integrated education and training system for Texas in support of the Human Investment System concept; 4) Continuation of the interagency initiative to implement statewide regional planning for occupational education and training in Texas; 5) JTPA support of comprehensive dropout prevention and recovery programs and services in Texas; 6) awareness of illiteracy and its effects; 7) knowledge bases and research efforts to describe target populations; 8) design of appropriate program models to meet participant needs; and 9) an evaluation process to determine what works best for whom in JTPA-funded programs.

The PY90 policy provides that 80 percent funds would continue to focus on participant serving activities through formula allocation to SDAs and special initiatives for Literacy, Communities-in-Schools, and TEA Apprenticeship Programs. The 20 percent funds are retained at the state level. These funds are primarily directed toward state-level interagency coordination to increase the capacity for joint planning multiple services to at-risk youth and hard-to-serve adults, and developing the integrated Human Investment System.

The Governor and Commerce are in the process of finalizing a non-financial agreement with the Texas Education Agency. The agreement states that Commerce will administer the 8% funds and sets forth other cooperative arrangements such as: 1) developing an integrated education and job training delivery system based upon the establishment of a comprehensive competency-based curriculum and certification system; 2) removing barriers and sharing information to move the systems toward innovative solutions for the problems of school dropout, adult illiteracy, and the need for a functionally literate workforce; and 3) developing and implementing a "blueprint for action" for the state of Texas that outlines appropriate steps and identifies specific responsibilities and actions that must be taken. The "blueprint for action" will include the following:

- a statewide systems appraisal to determine what needs to be strengthened and what needs to be changed to produce more effective education and job training services for the at-risk population;
- a clearly defined accreditation process for certifying innovative alternative programs that effectively serve the target population;
- methods for interlinking management information systems to enable joint planning and programming, and more effective interagency coordination;

- a comprehensive defined collaborative system for addressing both dropout prevention and recovery in Texas;
- strategies to address JTPA eligibility and documentation requirements for serving the at risk- population;
- joint strategies for coordinated use of JTPA and Education funds;
- a recognized Education/JTPA Interagency Coordination Taskforce to oversee the development and implementation of the "blueprint".
- appointment of a Superintendent Task Group to address such issues as eligibility and expansion of innovative alternative models.

In a review of the state's operation of the 8 percent program, the Department of Labor, Region VI, has questioned the appropriateness of the 8 % policy as approved by the SJTCC, the Governor and the interagency agreement process. Upon final decision, the GCSSP will be amended accordingly.

80 Percent Funds

To operate 80 percent projects, SDAs in Texas will be allocated between \$156,000 and \$400,000 for PY90. SDAs will continue to design projects that focus on the improvement of the quality and level of services to at-risk youth in addition to advancing the basic skills and job readiness of hard-to-serve adults. To meet their local objectives, local education advisory subcommittees, composed of representatives of adult, secondary, and post-secondary institutions, will recommend projects to the respective Private Industry Council (PIC), which makes the final decisions on projects. Title IIA performance standards will not apply to 8 percent participants, unless the SDA chooses to co-enroll them in Title IIA and 8 percent. At PIC discretion, the 25 percent window is designated to serve the educationally disadvantaged who are not economically disadvantaged. As approved by U.S. DOL for the past five years, the appropriate match at the state level will be documented through expenditure of Carl D. Perkins Voc. Ed. disadvantaged funds. SDAs are required to contract funds with TEA-certified institutions for training activities except in special cases where the Education Advisory Subcommittee to the PIC recommends an institution proven to be more effective in serving at risk-groups.

20 Percent Funds

For PY90 SJTCC has reviewed and recommended to the Governor that 20 percent 8 percent funds be utilized in a "capacity-building" manner to continue existing programs or develop new program initiatives consistent with, and in support of, the following criteria:

- Support the SJTCC/JTPA goals and policy to develop a basic skills/ literacy delivery system through Texas;
- Support the Work Force Development Division mission of developing a skilled work force for the future economy, primarily through the development of an integrated education and training system;
- Develop a statewide regional planning system for occupational education in Texas.

d. Older Workers (3 %)

Section 124 of the Act provides for training programs for economically disadvantaged workers ages 55 or older. For PY89, the state was allocated \$5,109,613,000 for the provision of training and employment services to older workers. On February 27, 1989, the state issued a statewide Request for Proposals (RFP) soliciting bidders for contracting.

The proposals were then ranked, based on total points received. The final recommendation for funding is based on: 1) ranking; 2) proposed service levels and costs; 3) current performance; and 4) responsiveness to the RFP (e.g., following instructions, inclusion of all pertinent data, and exactness).

Services available to older workers through these contracts include, but are limited to: classroom training; on the job training; job search; job club; remedial education; and supportive services such as medical screening.

The following is a list of those bidders selected for contracting in PY89:

Vocational Guidance Services, Inc.	Greater El Paso SER
City of San Antonio/Goodwill Industries	Heart of Texas
American Technological University	Hidalgo/Willacy
Program for Human Services	South Texas Development Council
Golden Crescent RPC	Corpus Christi
Collin County Community College	Austin Women's Center
Concho Valley COG	Rural Coastal Bend

e. Performance Incentives/Technical Assistance and Training (TAT (6%))

PY90 six percent funds will be used to award incentive grants to SDAs based on PY89 performance against standards established for JTPA Title IIA programs. In addition, SDAs may be eligible to receive "bonus" incentive funds based on their service levels to AFDC recipients. The criteria for awarding incentive grants and bonus amounts is contained in the PY89 Incentive Grant System Policy which is summarized as follows:

The eight performance standards designated as the basis for consideration in making awards and imposing reorganization are the Adult Entered Employment Rate, Adult Average Wage at Placement, Adult Cost per Entered Employment, Adult Follow-up employment Rate, Adult Welfare Entered Employment Rate, Youth Positive Termination Rate, Youth Employability Enhancement Rate, and Youth Cost per Positive Termination.

SDAs may also receive additional awards for exceeding the Adult Welfare Follow-up Employment Rate and for service levels to AFDC recipients above their incidence in the poverty population.

To be eligible for an incentive award, SDAs must meet or exceed at least six of the eight designated performance standards. If an SDA fails to meet a given designated performance standard for two consecutive years, it will be subject to a reorganization plan to be imposed by the Governor and will be precluded from eligibility for incentive grants based on performance during the second Program Year that the given standard was not met. For PY89, performance above the upper confidence interval of the adjusted standard is considered to have exceeded the standard, whereas performance below the lower confidence interval of the adjusted standard is considered to have failed to meet the standard.

Additionally, management development grants are provided to SDAs to develop and implement an annual training and technical assistance plan to address SDA performance enhancements, to include PIC/staff travel and participation in state, regional and national JTPA-related training. Management development planning guidelines are provided to the

SDAs. Management development plans are reviewed for consistency with these guidelines and to ensure proposed training activities are focused on enhancing SDA performance issues. For SDAs that have experienced previous performance failure, management development plans must contain activities to address these performance failures.

A portion of the six percent funds is set aside for Commerce staff who provide direct technical assistance to the SDAs in the areas of performance, program operation, compliance, federal regulations and state policy.

f. Administration (5 %)

The 5% funds for administration will be used to support Commerce administrative and management functions. The Texas Department of Commerce, Work Force Development Division, has the primary responsibility for policy development, strategic planning, program oversight, program implementation, monitoring, operational planning, and provision of technical assistance to SDAs. In addition, an administrative cost pool has been established utilizing 5% funds to cover overall state administration of JTPA in Texas.

2. Title IIB Summer Youth Programs

The purpose of Title IIB is to enhance the basic educational skills of youth, encourage school completion or enrollment in supplementary alternative school programs, and to provide eligible youth with exposure to work.

Texas has been allocated \$59,944,324 in Title IIB funds for the operation of the CY90 summer program. The entire allocation is formula allocated to the SDAs. There is a 15 percent cap on expenditures for administration. The remainder of each SDA's IIB allocation may be expended on program activities and supportive services. Expenditures for program activities and services to participants may only be made during the summer months (i.e.. the period between school years). Contracts with SDAs are written for a 12 month period to allow for planning activities during the fall, winter and spring.

The Title IIB plan, developed by SDAs and approved by the PIC and Chief Elected Official, describes the programs operated in each SDA. For the most part the major activities are basic skills remediation for those participants assessed as needing such training, pre-employment skills training activities, and useful work experience. In addition, the plan contains measurable objectives by which PICs are able to assess IIB programs. These objectives focus on demonstrated coordination with other community services, improvement in participant employability skills, enhancement of academic performance, and school retention and completion.

3. Title III/EDWAA Worker Readjustment/Dislocated Worker Programs

The following is a summary of the Title III/EDWAA State Plan. The comprehensive Title III State Plan including coordination criteria will be submitted separately in accordance with U.S.D.O.L. Training and Employment Guidance Letter No. 2-89.

a. Purpose

The PY90 Title III Planning Guidelines and State Plan, as well as officially promulgated directives, set forth policy structure within JTPA. The Title III Dislocated Worker Assistance Program is developed, implemented, and administered in Texas. Programs operating in the state address dislocated workers' training needs and provide support

services to enhance their ability to re-enter the ranks of the employed, at minimal wage loss.

b. Guiding Principles

The primary mission of job training and employment programs in the State of Texas is "to ensure a skilled and productive workforce to meet the needs of a changing Texas economy". To this end, the principal goal of the Title III program is that of providing effective and productive quality job training and employment services to persons experiencing employment dislocation because of downturns in local labor market conditions and/or shifts in the general economy.

The objectives are to:

- assist dislocated workers in overcoming the hardships of job loss by providing or arranging personal, career, and financial counseling or other supportive services as needed;
- place dislocated workers in stable, productive jobs having high growth and upward mobility potential;
- encourage economic development in the state by providing skilled employees to meet current and future needs of business and industry in Texas;
- avoid duplication of services and maximize training and employment effectiveness through coordination and utilization of community resources; and
- ensure active private sector participation in planning, implementing, and evaluating the needs of dislocated workers through the formation of a Worker Readjustment Committee in each Substate Area (SSA).

c. Eligible Population

Section 301 of the Act, as amended by the Economic Dislocation and Worker Adjustment Assistance Act (EDWAA) of the Omnibus Trade and Competitiveness Act (OTCA) of 1988, provides that the state may serve any eligible individuals without regard to the residence of such individuals who:

- have been terminated or laid off or who have received a notice of termination or layoff from employment, are eligible for or have exhausted their entitlement for unemployment compensation, and are unlikely to return to their previous industry or occupation;
- have been terminated or have received a notice of termination of employment as a result of any permanent closure of, or any substantial layoff at, a plant, facility, or enterprise;
- are long-term unemployed and have limited opportunities for employment or re-employment in the same or a similar occupation in the area in which such individuals reside, including older individuals, who may have substantial barriers to employment by reason of age; or

- were self-employed (including farmers and ranchers) and are unemployed as a result of general economic conditions in the community in which they reside or because of natural disasters, subject to regulations prescribed by the Secretary of Labor.

The Act and Regulations also provide for the provision of Title III services to "farm and ranch hands" and displaced homemakers. [Section 631.3(d)(3) of the Regulations references farm and ranch hands whereas Sections 4(29) and 301(a)(2) of the Act and 631.3(f) of the Regulations reference displaced homemakers].

Farm and ranch hands are individuals who were self-employed, but are either presently unemployed or are self-employed but going out of business.

Displaced Homemakers are individuals who were full-time homemakers for a substantial number of years; and derived support from either a spouse or public assistance and no longer receives such support; and is experiencing difficulty obtaining employment.

The state allows for the provision of services to displaced homemakers. The decision to provide services will be a substate option.

d. Resource Allocation

Substate 60 percent Funds

For PY90, Texas received a federal allocation of 39,866,018 in Title III/EDWAA Program formula funds. The state formula allocated 60 percent \$23,919,611 of these funds to the substate grantees based on six data factors mandated by the Economic Dislocation and Worker Adjustment Assistance Act of August 1988. These data factors are as follows:

- Insured unemployment data;
- Unemployment concentration data;
- Plant closing and mass layoff data;
- Declining industry data;
- Long-term unemployment data.

Because these factors are data categories rather than actual delineated variables which can be used in a formula, the state has the option to select specific variables, as well as determine appropriate weights, for each variable within the model. The variables and weights selected by Commerce staff, with assistance from SOICC and representatives of the SDA Director's Association, are listed below according to the specific data factor to which they pertain:

DATA FACTOR	VARIABLE	WEIGHT
1. Insured Unemployment	Annual average insured unemployed by percent of Texas total;	19.998 percent
2. Unemployment concentrations	Annual average unemployment rate;	19.998 percent
3. Plant closings and mass layoffs (PCML)	Number of PCML claims by percent of Texas total;	19.998 percent
4. Declining industries	Employment change in Texas' declining industries by percent of Texas total	19.998 percent
5. Farmer-rancher economic hardship	Change in farm employment 1984-86 by percent of Texas total;	0.010 percent
6. Long-term unemployment	Long-term unemployed as a percent of total unemployment;	19.998 percent

The selected data variables and weights were chosen based on the following considerations:

- Assurance of statewide coverage relative to the program and agency coordination requirements noted in the Act;
- Assurance of statewide coverage relative to the availability and/or provision of dislocated worker services; and
- Assurance that each substate area receive an equitable, cost-effective minimum funding level for the development of a substate area plan and/or provision of local area dislocated worker services to persons experiencing employment dislocation.

TABLE 15

TITLE III PY90 FORMULA ALLOCATIONS

SDA	TITLE III
1 Alamo	2,311,444
13 Austin/Travis County	927,626
10 Brazos Valley	210,157
11 Cameron County	269,012
12 Central Texas	295,897
35 Collin County	200,000
18 Concho Valley	231,343
14 Corpus Christi/Nueces County	437,053
15 Dallas City	1,021,588
4 Dallas County	3,087,402
19 Deep East Texas	233,166
20 East Texas	1,000,805
21 Fort Worth Consortium	1,116,419
22 Golden Crescent	200,000
5 Gulf Coast	4,374,540
6 Harris County	0
23 Heart of Texas	277,436
24 Hidalgo/Willacy Counties	812,646
17 Lubbock/Garza Counties	200,000
25 Middle Rio Grande	225,457
7 North Central Texas	1,065,670
26 North East Texas	319,473
27 North Texas	295,370
28 Panhandle	200,000
29 Permian Basin	736,920
2 Rural Capital Area	344,657
3 Rural Coastal Bend	243,145
30 South East Texas	560,994
8 South Plains	200,000
31 South Texas	255,242
9 Tarrant County	496,383
32 Texoma	200,000
33 Upper Rio Grande	1,154,618
34 West Central Texas	415,148
TEXAS	23,919,611

40 percent State Reserve Funds

The state reserved 40 percent 15,946,407 of the funds received 39,866,018 to respond to needs of substate areas experiencing higher than anticipated dislocation resulting from chronic structural shifts in local labor markets, plant/facility closings, mass/impact layoffs, or other unforeseen significant reductions in local private or public sector workforce. Access to Title III 40 percent funds will be initiated through the dislocated Worker Unit of the Texas Department of Commerce.

Commerce has been designated by the Governor as the state agency to comply with the requirements of the EDWAA legislation, as well as with the requirements of the 1988 Worker Adjustment and Retraining Notification Act (WARN). In addition, Commerce must fulfill the extensive coordination requirements mandated by the OTCA of 1988 Between EDWAA and the Trade Adjustment Act (TAA).

Organization of the DWU

The Dislocated Worker Unit (DWU) is located in the Industrial Development Training section (IDT) within the Work Force Development Division. The IDT Section administers Title III Formula funds and the 40 percent State Reserve funds. This section also administers all Title III Discretionary National Reserve Funds programs and the WARN Program.

Functions of DWU

The Overall functions of the Texas DWU are comprised of the following activities:

- Make appropriate retraining and basic readjustment services available through rapid response teams, substate grantees and other appropriate organizations. Ensure that substate grantees are quickly made aware of dislocations in order to participate in the development and provision of services;
- Work with employers and labor organizations to promote labor-management cooperation to address worker dislocation;
- Work with economic development agencies and other appropriate agencies to assist in efforts to avert worker dislocation. Assist local communities in obtaining access to other economic development assistance;
- Assist local communities in developing their own coordinated response to plant closings and mass layoffs (local community task forces);
- Arrange for the receipt and processing of notices of plant closings and mass layoffs:
- Promote voluntary notices of plant closings and mass layoffs in situations where mandatory notice is not required. Assist employers desiring to provide voluntary advance notices in the preparation of such notices;
- Operate a separate monitoring, reporting and management system for DWU activities;
- Provide technical assistance and advice to substate grantees, including PICs and other community task forces involved with Rapid Response activities;

- Collect, disseminate, and exchange information and coordinate programs with state and other programs to assist dislocated workers;
- Disseminate information throughout the state about EDWAA programs and services; and
- Provide other assistance as deemed appropriate by the State Rapid Response Team and the Dislocated Worker Unit/Rapid Response (DWU/RR) Staff, within the parameters of EDWAA. In addition, the DWU will work with a standing interagency Worker Dislocation Task Force including, but not limited to, staff from the Governor's Office, the DWU (Commerce), the Texas Employment Commission, the Texas Department of Human Services, the Texas Education Agency, and the Texas Higher Education Coordinating Board. At the discretion of the Governor, the task force can be expanded on an ad hoc basis, depending upon the nature of the worker dislocation. The task force can be activated to serve natural disasters or major layoffs involving 200 or more workers.

The effort of the DWU will be strengthened through the activation of interagency agreements at the state and local levels.

4. Title IVC Veterans Employment and Training Programs

Section 441 of JTPA gives the Secretary of Labor the authority to provide programs to meet the employment and training needs of the following categories of veterans as follows:

75% of Grant to serve:

Vietnam Theater Veterans
 Minority Veterans
 Special Disabled Veterans (30% +)

25% of Grant to serve:

Vietnam Era Veterans
 Service Connected Disabled
 Recently separated (within 48 months from time of application to the IVC service)

Since PY83, the state has applied for and received Title IV-C funds. The match for these funds is provided through the use of Wagner-Peyser 7(b) funds. Since PY88 the Governor has directed that the 7(b) match be awarded directly to the sub-contractor in an effort to increase services in the field.

DOL allocated \$538,000 for PY89 (August 12, 1989 to August 11, 1990) for veteran's programs in the State. Funds are made available from the Secretary of Labor through a Solicitation for Grant Applications (SGA) process open to the states.

The Office of the Governor and Commerce prepared a grant application to obtain Title IVC funds at the state level to provide labor exchange services, training activities and support services to eligible veterans.

The funds are matched from Governor's Discretionary Funds under the Wagner-Peyser Act Section 7(b) as amended. The State is presently contracting with two service deliverers (American G. I. Forum and the Texas Association of Developing Colleges), to implement veteran's employment and training programs statewide with certification being accomplished by Disabled Veterans Outreach Program Representatives (DVOP), assigned by the Texas Employment Commission, through a Memorandum of Understanding (MOU). Greater emphasis has been placed on providing long-term, quality training for eligible veterans. The total number of veterans to be served in PY89 is 418.

Texas is contracting with the present service deliverers due to their proven successful performance.

For PY90, 75 percent of the total funding will be directed towards serving Vietnam Theater, Minority and Special Disabled Veterans as directed in PY89 by U. S. Department of Labor (DOL). The remaining 25 percent will continue to be directed to the Vietnam era, service related disabled and veterans recently separated from military service. Emphasis will again be directed towards long-term training in place of direct job placement.

The state has again opted to respond to DOL's PY90 Solicitation for Grant Application. The state has delivered a letter of intent thus allowing 90 days from April 1, 1990 in which to submit the application to DOL. Title IV-C funds for PY90 have again been reduced nationwide and Texas has received \$516,000 total allocation.

5. Wagner-Peyser Activity

The State Employment Service Plan is submitted by the Governor to the Secretary of Labor, in accordance with Title V of the Act. Employment Service Plans for the Job Service local offices are developed jointly with the appropriate PICs and CEOs. The local plans are submitted to the Governor as a component of each SDA plan. The Wagner-Peyser allocation for PY 90 is \$50,652,021.

Ninety percent of the Wagner-Peyser funding is used to provide basic labor exchange services. Substate allocations are formulated using five separate factors, one of which is a local office service activity, based on the total number of job applications (of individuals seeking work) processed. The remaining factors are based on established productivity standards and include the number of individuals placed, total placements, individuals entered employment, and total entered employment per staff year worked, by local office. Each of the factors is given a weight in the allocation formula. The service activity factor, the productivity standards of individuals placed, and total placements per staff year worked factors, each carry a formula weight of 30%. The two remaining factors carry a weight of 5% each. A minimum funding level of 80% of the previous year's share of the allocation (hold-harmless) is also included in the formula. This formula serves to maintain stability and takes into account the degree to which employment services are needed and used in respective locations throughout Texas.

The remaining 10% of the Wagner-Peyser allocation is used at the Governor's discretion to provide performance incentives for Employment Service offices, services for groups with special needs, and the extra costs of exemplary models for basic labor exchange services.

C. NON-DISCRIMINATION

All programs and activities funded, or otherwise financially assisted in whole or in part under the Act, are considered to be programs and activities receiving federal financial assistance. In accordance with Section 167 of the Act, the state must establish adequate methods of administration to ensure equal opportunity and treatment for all JTPA participants and employees of SDAs and subcontractors irrespective of race, color, religion, national origin, sex, handicap, veteran status, or age. Accordingly,

all personnel, consistent with the law, must be afforded equal opportunity and just treatment when considered for employment, appointment, discipline, professional improvement, career progression, retention, and termination. This will be accomplished through development and dissemination of improved policy guidance and increased monitoring efforts. The specifics of this philosophy may be found in the Commerce, Work Force Development Division, JTPA Policy Issuance No. 89-01, Equal Opportunity Methods of Administration Affirmative Action Plan.

D. DESIGNATION OF LABOR MARKET INFORMATION (LMI) SYSTEM COORDINATOR

The State Occupational Information Coordinating Committee is responsible for oversight, management, and coordination of the comprehensive labor market information system. SOICC provides quarterly reports and recommendations on the development of the state LMI plan to the State Job Training Coordinating Council, and assists in developing the Governor's Coordination and Special Services Plan.

VII. ADMINISTRATION AND MANAGEMENT

VII. ADMINISTRATION AND MANAGEMENT

A. MANAGEMENT RESPONSIBILITIES

The Texas Department of Commerce, (the agency designated responsible for implementation and management of the job training program) through the Work Force Development Division, carries out the following duties:

- conducts operational planning and program design;
- develops planning guidelines;
- designs, develops, manages, and evaluates demonstration projects;
- develops performance standards and labor market information;
- conducts program monitoring and assessment and presents corrective action;
- evaluates programs and long-term outcomes;
- develops and implements financial management information and participant information systems;
- performs document control of grants and contracts;
- provides technical assistance and training;
- manages JTPA programs;
- maintains management systems adequate to meet goals and objectives; and
- compiles and submits reports to the U.S. Department of Labor, the Governor, and the State Job Training Coordinating Council.

B. MANAGEMENT SYSTEMS

The Commerce Work Force Development Division has developed a Strategic Management Plan with which to implement various management systems required for the state oversight of JTPA programs. A revised organizational structure is in place and administered by John Bartlett, Division Director. Beginning July 1, 1989, the JTPA Monitoring Section, previously under the Program Compliance Division, became a direct part of the Work Force Development Division.

Program operations are carried out through the functions of six branches within the division:

Division Director's Office

The Director of the Work Force Development Division is under the general supervision of the Deputy Executive Director of the Texas Department of Commerce (Commerce). The Director is responsible for the administration of all Job Training Partnership Act (JTPA) programs, the State Industrial Start-Up Program, and coordination of the Governor's State Job Training Coordinating Council (SJTCC). The director supervises the activities of the following sections:

Special Programs Section

This section coordinates special JTPA-funded programs such as the statewide "Reading to Reduce Recidivism" (3Rs) program initiative, Title IVC Veterans Program, Title IIA Older Workers Program, and other employment and training efforts that serve special populations and/or serve as statewide special initiative demonstration projects.

Administration and Program Support Branch

This branch is organized through a Central Services Section, Financial and Contracts Systems Management Section, and Systems Control Unit. It is responsible for coordinating overall administrative and program-related support services and for facilitating communications, systems management, and operations of the Work Force Development Division (WFDD). The Branch provides: JTPA financial and contracts/grants systems management; JTPA program budget

control; information/data processing services; publication coordination services; WFDD computer systems support; records management system support; issuance control system coordination/implementation; Equal Employment Opportunity and Affirmative Action Policy implementation oversight; Private Industry Council certification coordination services; WFDD material and logistical support services; and administrative, personnel, and program policies and procedures coordination.

Planning, Evaluation, and Coordination Branch

This branch houses the Strategic Planning and Coordination Section and the JTPA Operational Planning Section. It is responsible for devising long-range planning goals, tracking workforce trends, developing a statewide Labor Market Information System and spearheading interagency linkages to create a dynamic human investment system through an integrated, needs-driven job training and occupational education system. The Strategic Planning and Coordination Section works closely with the SJTCC to formulate a strategic approach to address workforce issues for the next 20 years and the state's critical need to develop a skilled and competitive workforce. It coordinates with the Texas Education Agency (TEA) and Texas Higher Education Coordinating Board (THECB) to implement regional planning for occupational education and job training in 24 regions. The Operational Planning Section focuses on the JTPA core systems to develop and review JTPA program planning guidelines; evaluate and analyze performance evaluation data; and allocate and track all JTPA resources. Encompassed within the Section is the division's computerized Management Information System (MIS) that supports overall statewide MIS systems. This Section also plays a major role in developing JTPA at-risk youth policy, youth competencies and model projects, and in coordinating with TEA to provide services to the 14 to 21 year old population.

Technical Assistance Branch

This branch is responsible for providing technical assistance to JTPA program contractors. The Technical Assistance/Program Representatives Section sends staff to the field to review local Service Delivery Area (SDA) operations, and plans and recommends methods to improve program efficiency.

Worker Readjustment and Industrial Training Branch

This branch includes the Work Force Development Incentive Program and Rapid Response Team Sections. It is responsible for overseeing the Dislocated Worker program, funded under the Title III Economic Dislocation and Worker Adjustment Assistance Act (EDWAA), which addresses the employment and retraining needs of workers displaced from their jobs due to unfavorable economic conditions, natural disasters, mass layoffs or plant closings. Under its wing is the Rapid Response Team which responds to unanticipated plant closings and mass layoffs around the state, providing technical assistance and facilitating coordination among local service providers, labor representatives and management. Also housed within the Section is the State Dislocated Worker Unit which must be given written advance notice, under the Worker Adjustment and Retraining Notification (WARN) Act, by companies anticipating shutdowns or mass layoffs. The Work Force Development Incentive Program was formerly known as the Industrial Start-Up Program. This Section operates with approximately \$2 million in state general revenues to provide funds for industry-specific job training for new and expanding industries that create jobs in Texas.

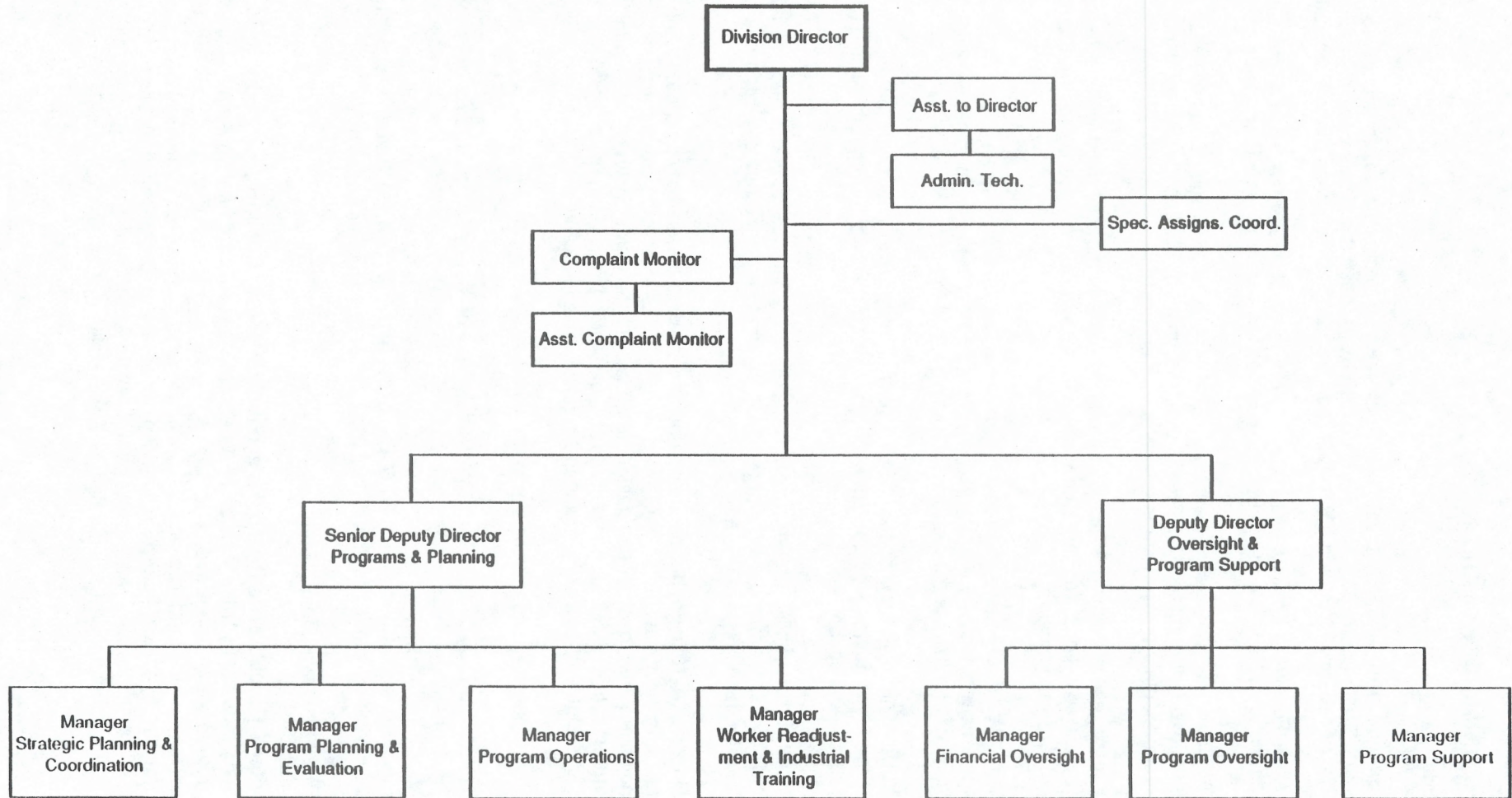
Program Oversight Branch

This branch is responsible for monitoring the financial and programmatic operations of JTPA programs throughout Texas. It reviews JTPA contracting and operating procedures and practices to ensure that they are in compliance with federal law and state program policies. Those administrative entities found not to be in compliance are advised to write a corrective action which must be approved by the Program Oversight Branch monitors. Those entities which repeatedly fail to come into compliance are subject to the withholding of JTPA funds.

The JTPA program is also supported through the functions of other divisions within the Commerce structure:

- The Office of the Executive Director manages the Texas Literacy Council, Training and Staff Development, legal services, and coordination and support services for the State Job Training Coordinating Council.
- The Administrative Services Division provides services through Accounting, Voucher Processing and Information Services.
- The Program Compliance Division consists of the Audit Review/Resolution section and the Office of the Inspector General, and is responsible for investigations of possible cases of fraud and abuse.
- Marketing and Media communications, including publications, and press relations, are coordinated through an Information Specialist in the Tourism Division.

**TEXAS DEPARTMENT OF COMMERCE
Work Force Development Division**



C. PERFORMANCE STANDARDS

1. Title IIA Standards

Section 106 of JTPA gives the Secretary of Labor the responsibility for establishing performance standards for Title IIA programs. These standards can only be changed every two years. For PY90 and PY91, DOL has proposed the following six core standards:

Adult Follow-up Employment Rate: The number of adult respondents who were employed during the 13th week after termination divided by the total number of adult respondents,

Adult Follow-up Weekly Earnings: The total weekly earnings for all adult respondents employed during the 13th week after termination, divided by the total number of adult respondents employed at the time of follow-up,

Adult Welfare Follow-up Employment Rate: The number of adult welfare respondents who were employed during the 13th week after termination divided by the total number of adult welfare respondents,

Adult Welfare Follow-up Weekly Earnings: The total weekly earnings for all adult welfare respondents who were employed during the 13th week after termination divided by the total number of adult welfare respondents employed at the time of follow-up,

Youth Entered Employment Rate: The total number of youth who entered employment at termination divided by the total number of youth who terminated excluding those who remained in school, and

Youth Employability Enhancement Rate: The total number of youth who attained one of the employability enhancements at termination, whether or not they also obtained a job, divided by the total number of youth who terminated.

Under DOL rules, performance against the six core standards would determine which SDAs are eligible for an incentive award and which SDAs would be subject to reorganization; however, the Governor can designate additional standards which could influence the amount of the incentive award. In this regard, Commerce is exploring the possibility of developing a state adult employability enhancement rate for use in PY90.

2. Performance Standards Adjustment

The U.S. DOL adjustment methodology will be used to determine predicted SDA performance for the six core standards. SDA performance against the non-core standards will be tracked for data purposes only. Any adjustments to SDA performance standards will be made in accordance with SJTCC policy and the DOL technical assistance guide for performance standards adjustments.

3. PY90 Incentive Grant System

After DOL publishes the final standards for PY90, Commerce will conduct a legislatively mandated study of the Texas JTPA performance standards and incentive system which shall provide recommendations to the SJTCC on modifications that can be made to the performance standards and incentive system in order to: improve the quality of training provided by the JTPA system, improve the quality of placements and long term outcomes that result from training, and increase the level of participation of AFDC recipients and other groups most in need of job training. Specifically, that study shall include modifications to the

performance standards and incentive system in order to provide incentives for local JTPA programs to increase the number of dropouts and AFDC recipients trained and the amount of basic skills training and remedial education provided to them; recommendations for incentive grant provisions that provide bonuses to local programs that exceed the higher targeted level to service to those groups; recommendations for a performance standard to measure the achievement of basic skills competencies by AFDC recipients and dropouts; and recommendations for incentive grant provisions to provide bonuses to local programs that exceed the "achievement of adult competencies" standard.

The recommended State Six Percent Incentive Policy will be developed in consultation with the Performance Standards Work Group (comprised of Commerce staff and SDA representatives) and will be presented to the Council as an action item at the May 1990, meeting.

4. Follow-up

The purpose of JTPA follow-up surveys is to collect post-program information through telephone interviews with JTPA terminees. The follow-up information includes:

- DOL required information;
- Detailed work history during the 13-week period;
- Job benefits information;
- Labor force status;
- Education/training information;
- JTPA program evaluation;
- Welfare information; and
- Update contact information for future follow-up activities.

Data collected through the participant follow-up system serves as a major component of several state and local work functions, including:

- Development of a database for use in planning and evaluation;
- Compilation of a series of management evaluation reports based on post-program information;
- Development and application of mechanisms for awarding performance-based incentive grants;
- Identification of problem areas for the development of technical assistance and training efforts; and
- Refinement of a system designed to support long-term research and evaluation efforts.

The state conducts JTPA follow-up surveys on participants of all 35 SDAs. The follow-up client groups include: Title II-A adult, Title II-A youth, Title II-A adult welfare, Title III, and Older Worker program terminees. A statewide JTPA follow-up contractor is selected through a competitive RFP process. Currently the follow-up contractor is Texas A&M University. In contract year 1988, i.e., from September 1, 1988 through August 31, 1989, more than 37,000 surveys were conducted. SDAs' roles in the follow-up process include collecting contact information of JTPA participants and assisting the state follow-up contractor in locating follow-up respondents.

Beginning in PY86, states were required to collect and report post-program data to the U.S. Department of Labor. In program years 1988 and 1989 four of the twelve national performance standards were post-program measures.

JTPA follow-up has become more important since the U.S. Department of Labor unveiled its proposed new Title II-A performance standards for program years 1990 and 1991. The proposed performance standards will replace adult termination-based (short-term) measures with JTPA 13-week follow-up (long-term) measures.

The state will continue to conduct statewide follow-up surveys through a reliable contractor.

5. Title III Performance Standards

For PY90, the Governor is required by DOL to set an entered employment rate standard for Title III funded programs and is encouraged to establish an average wage at placement goal. An entered employment rate of 64 percent is the Secretary of Labor's national standard for PY90. Therefore, the state shall use 64 percent as the departure point from which each substate area's entered employment rate performance standards will be adjusted.

The Governor has also elected to establish an average wage at placement goal. The departure point for adjusting substate average wage at placement will be \$8.05 per hour. The adjusted average wage at placement is the benchmark which will be used for assessing, evaluating, and monitoring contractor performance under this measure.

Finally, in addition to the performance measures above, the Governor has prescribed an 85 percent minimum expenditure rate for the PY90 Title III Formula program. Thus, the performance measures for PY90 are as follows:

<u>PY 90 Performance Measures</u>	<u>Departure Point and Rate</u>
Average Wage at Placement Goal	\$8.05 Departure Point
Entered Employment Rate Standard	64 percent Departure Point
Minimum Expenditure Rate Standard	85 percent Departure Point

D. TECHNICAL ASSISTANCE/TRAINING

1. Background

The use of 6 percent funds is prescribed in Section 202(b)(3) of the Act. These funds are set aside to grant incentives to those SDAs performing at a level that exceeds performance standards established by the Secretary of Labor, DOL. In addition, any remaining funds become available for statewide technical assistance to SDAs to:

- assist in the achievement of performance standards;
- identify and take corrective action to solve compliance and management problems; and
- clarify state policies regarding program operations.

Originally, the SDAs that received six percent funds, other than incentive grants, were those that did not meet their performance standards. However, the JTPA amendments (1986) expanded the use of funds available for technical assistance under Section 202(b)(3) to permit technical assistance to all SDAs rather than to confine it to those failing to meet performance standards. With this change, the definition of technical assistance expanded to include preventive technical assistance. It also permitted the use of technical assistance funds for the cost of post-program data collection for not more than two years, or through PY87. The rationale was to allow states an opportunity to anticipate program deficiencies and take corrective action prior to failure of performance standards.

2. Allocation of PY90 Six Percent Funds

PY90 six percent funds will be used to award incentive grants to SDAs based on PY89 performance against standards established for JTPA Title IIA programs, for management development grants and to provide technical assistance to the SDAs. In addition, SDAs may be eligible to receive "bonus" incentive funds based on their service levels to AFDC recipients.

Management development grants are provided to SDAs to develop and implement an annual training and technical assistance plan to address management issues and SDA staff development and training. Funds are also used to allow PIC members to travel and participate in State, regional and national JTPA related training. Management development planning guidelines are provided to the SDAs and management development plans are reviewed for consistency with these guidelines. For SDAs that have experienced previous performance failure, management development plans must contain activities to address these performance failures.

A portion of the six percent funds is set aside for Commerce staff who provide direct technical assistance to the SDAs in the areas of performance, program operation, compliance, federal regulations and state policy.

Texas will receive \$9,182,261 in six percent funds which have been budgeted as follows:

1. Incentive Awards for PY89 Performance	\$7,500,000.00	82%
2. PY90 Management Development Grants	1,116,261.00	12%
3. Technical Assistance Staff	566,000.00	6%
Total PY90 Six Percent	\$9,182,261.00	100%

Funds not needed for incentives and bonus grants may be used for incentives to SDAs for serving hard-to-serve individuals, State technical assistance and training activities, and additional management development grants to enhance performance.

3. Training

The Texas Department of Commerce JTPA Training and Staff Development Unit utilizes the following system in planning and implementing its statewide Management Development program.

Inputs to the Management Development system:

- SDA Management Development plans
- Texas Department of Commerce Workforce Development Division management inputs
- Department of Labor guidance
- JTPA monitoring reports
- JTPA participant ideas and feedback
- Curriculum research into JTPA staff competency requirements

Planning process:

- Determine resources available for Management Development
- Determine priority performance issues impacting all SDAs
- Provide for core curriculum to all JTPA professionals statewide
- Target special needs of Commerce JTPA staff
- Provide staff time to respond to individual SDA technical assistance needs
- Provide resources for SDAs to sponsor Management Development events

Outputs of the Management Development system:

- Statewide priority courses and conferences.
- JTPA core curriculum
- Commerce JTPA staff development
- Technical assistance to SDAs
- SDA-sponsored Management Development activities

For the period of Program Years 90 and 91 the Management Development system outputs are provided in the five tracks described below:

a. Statewide Priority Courses and Conferences

These courses and conferences are scheduled to address issues which are currently impacting performance or threaten to do so during the program year. Examples include performance-based contracting, legislative amendments to JTPA and financial management of JTPA programs.

For the program years 90 and 91, one priority as determined by the Department of Labor is Drug and Alcohol Awareness, where the state will initiate and expand the promotion of drug awareness and education efforts among JTPA participants. These activities will be directed both to the employees of the Texas Department of Commerce as well as to the SDAs to sponsor for their JTPA participants.

b. JTPA Core Curriculum

The development and offering of the JTPA Core Curriculum has been in progress for many years in Texas. The curriculum originated early in the history of JTPA in Texas with a research study conducted by an outside management consulting firm which was followed by the development of core courses to be offered statewide. The Core Curriculum includes competency areas of program management, financial management, planning and coordination, participant services, management information systems, monitoring, and professional development. The development and delivery of core courses will continue during program years 90 and 91.

c. Texas Department of Commerce JTPA Staff Development

Texas Department of Commerce JTPA staff require special training in addition to that offered to JTPA professionals statewide. An assessment of those needs is currently being conducted and a plan being developed to address the specific need identified. Commerce staff may attend the statewide JTPA courses and also non-JTPA courses offered to all Commerce staff. This includes drug and alcohol awareness training.

d. Technical Assistance to SDAs

Training and Professional Development staff assist the program representatives in responding to specific performance needs of the SDAs. Activities include assistance with assessing the underlying causes of performance failure and planning corrective actions to be taken by the SDA staff.

e. SDA-Sponsored Management Development Activities

All SDAs are provided with guidelines for developing an SDA Management Development plan for each program year. Guidelines direct SDA planners to address performance standard failure as a top priority. Those SDA which have not failed any performance standards are directed to develop plans which will enhance performance. Categories of management development activities include staff development, PIC/CEO development, and local initiatives.

During program years 90 and 91, SDAs will be asked to provide training in drug and alcohol awareness training for program participants.

VIII. EVALUATION OF JTPA IN TEXAS

VIII. EVALUATION OF JTPA IN TEXAS

Program evaluation is the systematic collection, analysis and reporting of information on a particular set of program activities and outcomes. In most cases, evaluation seeks to determine the efficiency and effectiveness of a given program. Effectiveness concerns the extent to which a program, through various treatments or service interventions, has met its intended goals. Efficiency means how well a program has used available resources to achieve its intended goals.

A good evaluation system provides useful information which permits decision-makers to make judgments about the value of JTPA programs. In addition, the evaluation information could serve as a major component of several state and local work functions such as:

- a mechanism for accountability;
- a planning and management tool;
- a policy tool;
- an educative process; and
- a tool for moving beyond performance standards.

The state is in the progress of conducting an evaluation of efforts by the JTPA system to coordinate with the Department of Human Services in serving AFDC recipients in need of job training. The results will provide recommendations for enhancing the program design and improving coordination between the Department of Human Services, Department of Commerce, and other agencies implementing the Family Support Act's JOBS program in Texas.

The following is a summary of JTPA program performance for PY87, PY88, and the first two quarters of PY89.

A. TITLE IIA

1. PY87

The number of participants, terminations, and placements increased slightly from PY86 to PY87. More than 63,000 people participated in JTPA Title IIA programs during PY87 (i.e., from July 1, 1987 through June 30, 1988). About 28,000 Title IIA participants completed their training programs and entered unsubsidized employment. Over 16,000 Title IIA youth participants completed their training programs and obtained positive outcomes.

The characteristics of PY87 terminees were about the same as that of PY86, with the difference less than 5 percentage points. About 19 percent of the terminees were welfare recipients. More than a quarter of the terminees were high school dropouts. High school graduates (or above) consisted of 54 percent of the terminees. About 20 percent of the terminees were single head of households. About 47 percent of the terminees were youth and about 56 percent of the terminees were female. Finally, handicapped terminees represented 9 percent of the total terminations, as did ex-offenders.

The Youth Positive Termination Rate remained the most difficult performance standard for SDAs to meet, with only 28 SDAs exceeding their predicted standard (the same as PY86) while, Adult Average Wage at Placement was the only standard met or exceeded by all 34 SDAs. Table 16 summarizes Title IIA performance and characteristics of terminees during PY87.

TABLE 16

TITLE IIA PERFORMANCE REPORT
PY87 VS PY88Statewide Summary

	PY87 ¹		PY88 ²		% Change ³
Total Participants	63,224		73,809		+16.7%
Total Terminations	46,993		54,879		+16.8%
Total Entered Employment	28,063		30,564		+8.9%
Youth Positive Terminations	16,635		20,157		+21.2%
Percent of Funds Expended	88.9%		86.9% ⁴		-2.2%
Adult					
Entered Employment Rate	72.7%		70.6%		-2.9%
Welfare Entered Emp. Rate	67.6%		60.2%		-10.9%
Average Wage at Placement	\$4.77		\$4.98		+4.4%
Follow-up Employment Rate	NA ⁵		63.1%		NA
Cost per Entered Employment	\$3,085		\$3,461		+12.2%
Youth					
Positive Termination Rate	76.2%		76.8%		+0.8%
Employability Enhancement Rate	NA		40.4%		NA
Entered Employment Rate	44.7%		NA		NA
Cost per Positive Termination	\$2,915		\$2,923		+0.3%

Characteristics of Terminees

Welfare Recipient (Total)	8,755	(18.6%) ⁶	9,655	(17.6%)	+10.3%
* Adult (AFDC)	4,876	(10.4%)	5,205	(9.5%)	+6.7%
(GA/RA)	52	(0.1%)	62	(0.1%)	+19.2%
* Youth (AFDC)	3,810	(8.1%)	4,375	(8.0%)	+14.8%
(GA/RA)	17	(0.0%)	13	(0.0%)	-23.5%
Dropout	13,411	(28.5%)	14,653	(26.7%)	+9.3%
High School Grad. and above	25,306	(53.9%)	27,854	(50.8%)	+10.1%
Single Head of Household	9,587	(20.4%)	10,904	(19.9%)	+13.7%
Youth	21,828	(46.5%)	26,232	(47.8%)	+20.2%
Female	26,144	(55.6%)	30,702	(55.9%)	+17.4%
Handicapped	4,022	(8.6%)	4,674	(8.5%)	+16.2%
Offenders	4,401	(9.4%)	4,890	(8.9%)	+11.1%

¹ The information is based on the MIS performance report as of August 5, 1988 (Report # 1891Z).

² The information is based on the MIS performance report as of August 5, 1989 (Report # 274oT).

³ % change = $\{(PY88-PY87)/PY87\} \times 100$.

⁴ Percent of Funds Expended = $(\text{Total Expenditures} / \text{Contract Amount}) \times 100$.

⁵ Not applicable

⁶ The percentage stands for the proportion of total terminations.

2. PY88

There was a significant increase in the number of participants, terminations, and placements from PY87 to PY88. More than 73,000 people participated in JTPA Title IIA programs during PY88 (i.e., from July 1, 1988 through June 30, 1989), which represents an approximately 17 percent increase from PY87. Over 30,000 Title IIA participants completed their training programs and entered unsubsidized employment, a 9 percent increase from PY87. The number of Title IIA youth participants who completed their training programs and obtained positive outcomes during PY88 was 20,157 people, a 21 percent increase from PY87.

The performance standards in PY88 were slightly different from those of PY87. One PY87 standard, Youth Entered Employment Rate, was removed and two new standards were added. For PY88, the Governor designated the following eight performance standards for evaluating Title II-A programs:

- Adult Entered Employment Rate
- Adult Welfare Entered Employment Rate
- Adult Average Wage at Placement
- Adult Follow-up Employment Rate (New)
- Adult Cost per Entered Employment
- Youth Positive Termination Rate
- Youth Employability Enhancement Rate (New)
- Youth Cost per Positive Termination

For each of the eight performance measures, the majority of SDAs exceeded the standard. Sixteen SDAs exceeded all eight performance standards, and 26 SDAs exceeded at least six of the eight standards. While most of the outcomes of the performance standards remained the same in PY87 and PY88, the Adult Welfare Entered Employment Rate decreased by 11 percent from PY87 and the Adult Cost per Entered Employment increased by 12 percent from PY87.

Reasons cited by SDAs for the lower entered employment rates include:

- Problems associated with transition from one administrative entity to another;
- Understaffing and staff turnover;
- Excessive use of work experience and limited work experience;
- Clients choosing to continue their education rather than seek immediate employment;
- Lack of available on-site vocational training facilities and lack of dependable transportation; and
- Training for occupations which do not, at the entry level, pay sufficient wages to offset the combined welfare benefits.

The outcomes of PY88 JTPA Title II-A program performance, with comparison to PY87 performance, are illustrated in Tables 16 and 17.

3. PY89 (Second Quarter)

Because the data for the entire PY89 will not be available until August 1990, only the results of the first two quarters of PY89 are presented here. JTPA Title IIA programs continue to grow steadily in Texas. The outcomes of the first two quarters in PY89, with comparison to the performance of the first two quarters in PY88, are illustrated in Table 18.

As shown in Table 18, there was a significant increase in the number of participants, terminations, and placements from PY88 to PY89. Almost 48,000 people participated in

JTPA Title IIA programs during the first two quarters of PY89 (i.e., from July 1, 1989 through December 31, 1989), which is about 10 percent increase from PY88. Over 12,000 Title IIA participants completed their training programs and entered unsubsidized employment, a 16 percent increase from PY88. More than 6,000 Title IIA youth participants completed their training programs and obtained positive outcomes during the first two quarters of PY89, about 18 percent increase from PY88.

Although proportionally the characteristics of PY89 terminees were about the same as that of PY88, the number of each characteristic category, especially dropouts, showed a significant increase.

Most of the outcomes of the performance standards remained the same in PY88 and PY89, with the difference less than 5 percentage points. The Youth Employability Enhancement Rate was the only standard which had a significant change, with 25 percent increase from PY88.

*AS OF SECOND QUARTER 1989

TABLE 17
NUMBER OF SDAs MET/EXCEEDED PERFORMANCE STANDARDS

	<u>PY87</u>	<u>PY88</u>	<u>% Change</u> ¹
Adult			
Entered Employment Rate	32(94.1%) ²	26(76.5%)	-18.8%
Welfare Entered Employment Rate	31(91.2%)	25(73.5%)	-19.4%
Average Wage at Placement	34(100.0%)	34(100.0%)	0.0%
Follow-up Employment Rate	NA ³	30(88.2%)	NA
Cost per Entered Employment	30(88.2%)	25(73.5%)	-16.7%
Youth			
Positive Termination Rate	28(82.4%)	26(76.5%)	- 7.1%
Employability Enhancement Rate	NA	27(79.4%)	NA
Entered Employment Rate	30(88.2%)	NA	NA
Cost per Positive Termination	31(91.2%)	34(100.0%)	+ 9.7%

¹ % change = $\{(PY88-PY87)/PY87\} \times 100$

² Percent of total SDAs.

³ Not applicable

TABLE 18

**TITLE IIA PERFORMANCE REPORT
SECOND QUARTER PY89 VS SECOND QUARTER PY88**

Statewide Summary

	PY88 ¹	PY89 ²	% Change ³
Total Participants	43,436	47,806	+10.1%
Total Terminations	17,014	19,943	+17.2%
Total Entered Employment	10,958	12,722	+16.1%
Youth Positive Terminations	5,330	6,267	+17.6%
Adult			
Entered Employment Rate	74.1%	74.8%	+0.9%
Welfare Entered Emp. Rate	65.6%	62.4%	-4.9%
Average Wage at Placement	\$4.95	\$5.17	+4.4%
Follow-up Employment Rate	61.9%	60.8%	-1.8%
Youth			
Positive Termination Rate	76.2%	77.0%	+1.0%
Employability Enhancement Rate	26.5%	33.0%	+24.5%
Entered Employment Rate	50.5%	47.8%	-5.3%

Characteristics of Terminees

Welfare Recipient (Total)	2,957	(17.4%) ⁴	3,075	(15.4%)	+4.0%	
* Adult	(AFDC)	1,774	(10.4%)	1,679	(8.4%)	-5.4%
	(GA/RA)	21	(0.1%)	10	(0.0%)	-52.4%
* Youth	(AFDC)	1,158	(6.8%)	1,385	(6.9%)	+19.6%
	(GA/RA)	4	(0.0%)	1	(0.0%)	-75.0%
Dropout	4,396	(25.8%)	5,841	(29.3%)	+32.9%	
High School Grad. and above	10,144	(60.0%)	11,128	(55.8%)	+9.7%	
Single Head of Household	3,769	(22.2%)	4,275	(21.4%)	+13.4%	
Youth	6,992	(41.1%)	8,139	(40.8%)	+16.4%	
Female	9,691	(57.0%)	11,147	(55.9%)	+15.0%	
Handicapped	1,256	(7.4%)	1,478	(7.4%)	+17.7%	
Offenders	1,671	(9.8%)	1,699	(8.5%)	+1.7%	

¹ The information is based on the MIS performance report as of January 20, 1989.

² The information is based on the MIS performance report as of January 26, 1990.

³ % change = $\{(PY89-PY88)/PY88\} \times 100$.

⁴ The percentage stands for the proportion of total terminations.

4. Older Worker Programs (3%)

Three percent of JTPA Title II funds are set-aside for providing training to economically disadvantaged individuals age 55 years and older. Older Worker programs are contracted through a request-for-proposal process. The following is a summary of program performance based on the latest available MIS data.

PY87 Fourth Quarter Performance Report

Number of Programs	16
Number of Participants	3,131
Number of Terminations	3,083
Number of Participants Entered Employment	1,812
Enter Employment Rate	58.8%

PY88 Fourth Quarter Performance Report

Number of Programs	16
Number of Participants	3,391
Number of Terminations	3,191
Number of Participants Entered Employment	1,919
Enter Employment Rate	60.1%

PY89 Second Quarter Performance Report

Number of Programs	18
Number of Participants	2,023
Number of Terminations	1,026
Number of Participants Entered Employment	756
Enter Employment Rate	73.7%

5. Education and Coordination Programs (8 Percent)

From 1985 to the present, Texas has focused PY 8% policy on a comprehensive approach to link JTPA and education programs and services to improve performance and services to at risk groups. Special attention has been paid to promote the establishment of jointly funded dropout prevention and recovery programs in each SDA which would improve JTPA's overall ability to serve youth. PY85 (July 1, 1985-June 30, 1986) was a capacity-building year for increasing performance and services to at-risk youth and hard-to-serve adults. SDAs were encouraged to develop self-paced, open-entry/open exit computer-assisted instruction programs for the remediation of basic skills for these groups. SDAs were also encouraged to develop "competency systems" to benchmark participant performance in three categories:

- 1) pre-employment/work maturity;
- 2) basic skills; and
- 3) job-specific skills.

Eight percent funds were also used to support research, development, and evaluation activities. Eighty percent and twenty percent monies were designated for demonstration and capacity-building projects. Eight percent policy guidelines required PICs/SDAs to establish Education Advisory Subcommittees (EAS) to advise each PIC on JTPA/Education Coordination in the development of basic education services for JTPA participants. The EAS in each SDA was required to include representation from secondary, post-secondary, and

adult education to advise the PIC on how to improve JTPA youth performance through innovative and cooperative programs. Significant to this capacity-building effort was the state's PY85 6 percent corrective action policy and the corrective action plans for SDA's. The 13 corrective action plans, based on PY85 policy, focused primarily on the implementation of youth competency systems and assessment of youth competency programs in order to improve overall Title IIA youth performance.

It is apparent from Table 19 that there has been a substantial increase in Texas' ability to serve a much larger segment of participants with greater disadvantages and barriers towards employment. There has been a much greater emphasis toward serving participants that have reading skills below the 7th grade level and the long term AFDC recipient. In PY88 a total of 7,818 participants received basic skills training (English-as-a-second language and math training); 505 received occupational skills training; and 1,186 received services, including pre-employment skills training.

In addition to the regular 8 percent programs at the SDA level, Texas issued a \$1.1 million RFP for Special Programs for At-Risk Youth that began in PY87 and continued through PY88. The state also contracted with an outside agency to conduct a formative evaluation of the state-funded projects to identify implementation requirements and problem areas in order to develop technical assistance guidelines for SDAs to improve services to at-risk youth.

An analysis of MIS statistics reported at the close of the second quarter of the current program year (PY89) revealed the composition of participating youths in 20% programs as having the following characteristics: 1) 30.0% High School dropouts; 23.6% black, 34.0% Hispanic, 15.3% ex-offenders; 40.0% with reading skills below the seventh grade level, 30.7% unemployed prior 26 weeks, and 57.2% not in the current labor force.

Restructuring JTPA and education services to provide basic education for the most difficult groups is a slow, systematic process. During PY90, local SDA competency systems will continue to be refined and linkages between JTPA and education at the state and local levels expanded to support coordination of multi-service models for at-risk youth. Eight percent funds will be used to continue JTPA resource assistance contracts with other agency systems to support Special Programs for At-Risk Youth, and encourage development of multi-service, computer-assisted basic skills remediation programs at the local level. In addition, the SJTCC and the Governor have included the development of an integrated Human Investment System to focus on families at risk (see PY90 8% Policy on page 54).

TABLE 19
8% PERFORMANCE
PY88 - PY89

<u>STATEWIDE SUMMARY</u>	1988	1989*
Total Participants	9,340	5,472
Total Terminations	8,155	1,724
Entered Unsubsidized Employment	446	1,109
Attained Youth Employment Enhancement	1,135	219
Other Terminations	6,574	1,425
<u>PARTICIPANT CHARACTERISTICS (PERCENT OF TOTAL)</u>		
Hispanic	53.8%	52.0%
Black	21.0%	25.6%
School Dropouts	64.0%	62.0%
Students	29.2%	32.8%
Single Head HSHD w/ Dependent Children	21.2%	24.1%
<u>PARTICIPANT BARRIERS (PERCENT OF TOTAL)</u>		
Limited English	7.3%	7.1%
Handicapped	9.6%	8.6%
Ex-Offender	12.1%	9.3%
Reading - Skill Below 7th Grade	43.0%	51.8%
Long-Term AFDC Recipient	16.4%	20.0%

* Second Quarter Report

B. TITLE IIB SUMMER YOUTH PROGRAMS

The CY89 Title IIB Summer youth program served 43,977 youth, ages 14 to 21 years. Of these, 21,806 were female, 18,219 were Black, and 20,330 were Hispanic. Students made up 40,500 of the total number of participants. Over 20,300 Title IIB participants had reading levels below the seventh grade. Work experience was the primary activity with 31,978 enrollments. Basic skills remediation was provided to 20,452 participants, including participants served by Communities-In-Schools, a statewide dropout prevention program. Exemplary youth program activities were provided to 5,779 participants.

Youth Opportunities Unlimited (YOU), a state-wide youth program for at-risk 14 and 15 year-olds, served 2,035 students at 20 university campuses during CY89. Of the 1,843 students successfully completing the program, 1,603 received academic credit for reading and math course work completed during YOU participation. Documented achievement in grade level gain (California Achievement Test) overall was 7 months for the summer period.

C. TITLE III/EDWAA WORKER READJUSTMENT/DISLOCATED WORKER PROGRAMS

1. PY88 Title III Dislocated Worker Programs

JTPA Title III funds were used to provide training for individuals who had been terminated or laid off due to plant closings and/or industry wide declines. A portion (60%) of Title III funds were contracted to Service Delivery Areas where worker dislocation was evident. The remainder was reserved at the state-level to be used by the Rapid Response Team to assist workers laid off due to individual plant closings as they occurred.

Additionally, the Secretary of Labor reserved 25 percent discretionary funds for services to individuals affected by mass layoffs, natural disasters, federal government actions, or who reside in areas of high unemployment. This report includes discretionary programs which served: (1) laid off oil/gas or steel workers, (2) laid off Safeway workers, (3) drought-affected migrant/seasonal farm workers, and (4) residents of the City of Saragosa (natural disaster).

Number of participants	11,391
Number of terminations	8,700
Number of participants entered employment	5,741
Entered Employment Rate	66.0%
Average Wage at placement	\$8.13

Title III Formula Funds were allocated to twenty-eight SDAs with \$17,568,039 under contract and expenditures of \$11,701,731. Title III Discretionary Funds were contracted to seven SDAs with total contracts of \$2,800,000 and expenditures of \$2,536,768.

2. PY89 Title III/EDWAA Second Quarter Performance Report

The following is a summary of Title III/EDWAA Program Performance and expenditures from July 1, 1989 through December 31, 1989.

The Economic Dislocation and Worker Adjustment Assistance (EDWAA) Act revised Title III of the Job Training Partnership Act (JTPA). The goals of the worker adjustment program are to adequately prepare workers for re-employment and to ensure their continued employability through a broad range of quality retraining, services and participant support.

Number of programs	32
Number of participants	8,571
Number of terminations	2,309
Number of terminees entered unsubsidized employment:	
from retraining	1,122
from basic readjustment services only	897
Total number of terminees entered employment	2,019
Entered Employment Rate	87.4%
Average Wage at Placement	\$8.24

Currently (PY89), there are 32 title III formula fund contracts operating across the state with a combined budget of \$15,021,782 and expenditures of 51% through December 31, 1989. Additional 40% funds in the amount of \$6,482,546 were contracted to twelve (12) SSAs (December 31, 1989) in response to increased demand for services to dislocated workers as the result of mass layoffs and plant closures. The Secretary's National Reserve Funds (discretionary) in the amount of \$3,000,000 are allocated to five SSAs in the the South Texas Natural Disaster Project (Freeze, Dec. 89).

3. Expenditure/Deobligation-Reobligation of Funds

In regard to program expenditures, steps have been taken to increase the delivery of quality training services through clarification of state policy, management and operational system modifications, and better program coordination at both the state and local levels. It is projected that such systematic and program operational adjustments will have a positive impact on service delivery (increasing the number of persons served), which in turn increases the effective and efficient expenditure of the funds available.

In order to maximize the use of available program funds, as well as to avoid under-expenditure of state of Texas funds which would result in a forfeiture of funds for reallocation among other states, the State has developed procedures for the involuntary and voluntary deobligation of substate allocated funds. Substate Grantees not expending their Title III (EDWAA) allocations will be deobligated so that funds can be reobligated to substate grantees expending their allocation at a satisfactory rate. These procedures, as adopted, shall be implemented during PY90 on as as-needed basis [Section 303(d) of the Act]

D. TITLE IV-C VETERANS EMPLOYMENT AND TRAINING PROGRAM

Texas contracts with the U.S. Department of Labor to operate Title IV-C programs which provide training opportunities specifically targeted to veterans. Funds are provided to contractors through a competitive request-for-proposal process. The following is a summary of program performance based on the latest available MIS data.

PY87 Fourth Quarter Performance Report

Number of Programs	4
Number of Participants	3,926
Number of Terminations	3,390
Number of Participants Entered Employment	2,285
Enter Employment Rate	67.4%

PY88 Fourth Quarter Performance Report

Number of Programs	5
Number of Participants	3,853
Number of Terminations	3,257
Number of Participants Entered Employment	2,559
Enter Employment Rate	78.6%

PY89 Second Quarter Performance Report

Number of Programs	2
Number of Participants	68
Number of Terminations	15
Number of Participants Entered Employment	11
Enter Employment Rate	73.3%

IX. APPENDICES

APPENDIX C

GOVERNOR'S COORDINATION AND SPECIAL SERVICES PLAN LIST OF ACRONYMS

ABE	Adult Basic Education
AFDC	Aid to Families with Dependent Children Program
CAI	Career Assessment Inventory
CCE	Certificates of Continuing Eligibility
CEO	Chief Elected Official
CIS	Communities-in-Schools
Commerce	Texas Department of Commerce
Council	State Job Training Coordinating Council
DOL	U. S. Department of Labor
DWU	Dislocated Worker Unit
EAS	Education Advisory Subcommittees
EDP	Employment Development Plan
EDWAAA	Economic Dislocation and Worker Adjustment Assistance Act
ESL	English-as-a-Second Language
GA	General Assistance Program
GATB	General Aptitude Test Battery
GED	General Educational Development
JTPA	Job Training Partnership Act
LMC	Labor Management Committee
LMI	Labor Market Information
LEA	Local Education Agency
MIS	Management Information System
OIG	Office of the Inspector General
OTCA	Omnibus Trade and Competitiveness Act of 1988
PEIMS	Public Education Information Management System
PIC	Private Industry Council
PPS	Participant Planning Summary
PY	Program Year
RCA	Refugee Cash Assistance Program
RFP	Request for Proposals
RR	Rapid Response
SDA	Service Delivery Area
SDS	Self-Directed Search
SSA	Substate Area
SJTCC	State Job Training Coordinating Council
SOICC	State Occupational Coordinating Committee
TAA	Trade Adjustment Assistance
TABE	Test of Adult Basic Education
TAPIC	Texas Association of Private Industry Councils
TAT	Technical Assistance and Training
TDC	Texas Department of Corrections
TDCA	Texas Department of Community Affairs
TDHS	Texas Department of Human Services
TEA	Texas Education Agency
TEC	Texas Employment Commission
THECB	Texas Higher Education Coordinating Board
TRA	Trade Readjustment Allowance
TRC	Texas Rehabilitation Commission
UC	Unemployment Compensation
UI	Unemployment Insurance
WAC	Worker Adjustment Committee

WARN Worker Adjustment and Retraining Notification Act
WIN Work Incentive Program
WNAI Word and Number Assessment Inventory
WRAT Wide Range Achievement Test
YOU Youth Opportunities Unlimited

STATE OF TEXAS

**ECONOMIC DISLOCATION AND WORKER
ADJUSTMENT ASSISTANCE**

PY 90 STATE PLAN

CONTENTS

	<u>Page</u>
I. IDENTIFYING INFORMATION.....	97
II.A. COORDINATION	98
II.B. PROGRAM ADMINISTRATION.....	109
III. STATE OPERATION (DWU).....	123
IV. ASSURANCES.....	143
V. GENERAL ADMINISTRATIVE INFORMATION.....	144
VI. ATTACHMENT A.....	147

STATE OF TEXAS

TITLE III STATE PLAN: EMPLOYMENT AND TRAINING
ASSISTANCE FOR DISLOCATED WORKERS

Plan Development Format

In an effort to facilitate the United States Department of Labor's plan review process, the state Title III Plan is developed in accordance with Training and Employment Guidance Letter (TEGL) 2-89. Thus, the organizational style of the Plan follows USDOL's recommended format.

I. IDENTIFYING INFORMATION

A. Grantee Agency Name and Address:

Texas Department of Commerce
Work Force Development Division
P.O. Box 12728
Austin, Texas 78711

B. Date of Submission:

May 1, 1990

C. Time Period Covered:

July 1, 1990 through June 30, 1992

II.A. COORDINATION

Coordination is a process rather than a product or an event. In the context of this plan, it is the process of aligning programs and services provided by state and local institutions and agencies toward a common purpose or goal. The goal is to assist workers who have become separated from their occupation through structural economic change to become reemployed as soon as possible.

The coordination is mandated throughout JTPA and the EDWAA amendment as a necessary component to the planning and delivery of services to dislocated workers. A number of key agencies and organizations shall be involved in the continuing development of a superior integrated service delivery system in the state of Texas.

1. Coordination Among State and Local Organizations.

Coordination among organizations focusing on dislocated workers is developed and carried out by the Governor and his State Job Training Coordinating Council (SJTCC), and by the thirty-three substate grantees.

- a. The SJTCC is the advisory council to the Governor on JTPA including the EDWAA amendment. The SJTCC is composed of the following representatives:

Business and industry	30%
State and local government	30%
Organized labor and community-based orgs.	30%
General public	10%

Under the Act, the SJTCC exists to plan, coordinate, and monitor the provision of programs and services. In their coordination capacity, the SJTCC provides management guidance and review for all programs in the state, develops appropriate linkages with other programs, coordinates activities with the Private Industry Councils, and develops the Governor's Coordination and Special Services Plan. The SJTCC composition includes representation from the Texas Employment Commission (Unemployment Insurance, Employment Service,

Trade Adjustment Assistance), the Texas Education Agency (Carl Perkins) and Labor Unions.

The Governor is required to annually prepare a statement of goals and objectives for programs within the state, and to submit a Governor's Coordination and Special Services Plan to the Secretary of Labor. This Plan establishes criteria for coordinating activities under JTPA, including EDWAA, with programs and services provided by state and local education and training agencies, public assistance agencies, the employment service, rehabilitation agencies, postsecondary institutions, economic development agencies, unemployment insurance service, and such other agencies as the Governor determines to have a direct interest in employment and training and human resource utilization within the state. Based on this coordination plan, the SJTCC advises the Governor and local entities on their specific job training plans. The importance of coordination is emphasized in the specific provision for disapproval of local job training plans on the basis of non-compliance with the Governor's coordination criteria.

- b. A standing Interagency Worker Dislocation Task Force which includes, but is not limited to, staff from the Governor's office, the Department of Commerce, the Texas Employment Commission, the Department of Human Services, the Texas Education Agency, and the Higher Education Coordinating Board can be activated to coordinate response to major layoffs, plant closures, or natural disasters. Each agency represented at the state level has a local or regional counterpart. Established linkages will be utilized for general EDWAA coordination (see chart 1).
- c. The Texas Department of Commerce interacts with numerous state and local level organizations. This coordination is an on-going function of each Commerce Division with the Division Director directly responsible for this function.
- d. The state's role in implementing the Title III/EDWAA Program does not simply constitute a pass through of funds to the thirty-three substate areas, but also established the framework for planning and coordinating Title III programs statewide. Therefore, the state has encouraged substate areas to evaluate their

Office of the
Governor

DWU
Commerce

Layoff of 50-200
workers

INTERAGENCY WORKER DISLOCATION TASK FORCE

Governor's
Office

Com-
merce

TEC

TEA

HECB

DHS

Activated for major layoffs, disasters - 200 or more workers

LOCAL WORKER ADJUSTMENT COMMITTEE
Members drawn primarily from the Private Industry Councils

CEO

C of C

EDF

TEC

DHS

LABOR

LOCAL
EDUC.

training activities and to develop viable long term training programs that will provide quality training to dislocated workers. Specific coordination instructions were disseminated to the substate areas in the PY90 planning guidelines and at the state-wide planning conference. Training sessions and EDWAA workshops were conducted (PY89) involving substate areas and other state agencies to facilitate coordination and will be conducted in PY90 – PY91.

The service deliverers in the state are the same as those for Title IIA of JTPA. This enables a coordinated planning process which includes all JTPA programs at the level of service providers.

Coordination at the local level will be accomplished through a structure determined by each substate grantee based on local needs and conditions. Indeed, the strength of coordination in the state of Texas will come from the SSA level. Identification of common needs among the SSAs may result in new state policy or the need for state policy change, but the effects of such standardized policy may reduce the flexibility of the local structure of the service deliverer; a result not favored by the state. Therefore, the state encourages each SSA to initiate negotiations for written agreements with local offices of state agencies and organizations focusing on dislocated workers, as well as local education and training agencies in order to achieve service and information coordination necessary to develop an effective EDWAA service delivery system which does not impose bureaucratic barriers to access for the dislocated worker. In particular, a written coordination agreement with the Unemployment Insurance and with the Federal-State Employment Service must be included in the substate plan.

2. Coordination with the Unemployment Compensation System

Procedures for coordination of EDWAA programs and the unemployment compensation system (UI) are developed by the staffs of the Texas Department of Commerce (Commerce) and the Texas Employment Commission (TEC) State Office, but agreements between SSAs and TEC local offices will also be prepared locally.

At the state level, the Job Service Operations Department of the TEC coordinates activities with the Work Force Development Division of Commerce. A specific Job Service staff person is designated for liaison with the JTPA program and will deal with coordination issues personally and/or insure the participation of other appropriate TEC staff. In addition, the TEC liaison will be the contact for Commerce's Rapid Response Team and, as such, will work regularly with the Dislocated Worker Unit (DWU) and other state agencies to bring together resources to assist dislocated workers to become reemployed as soon as possible after termination of their job.

Also at the state level, the UI system will be used as a mechanism for identifying companies who may need rapid response services at an early stage in a layoff. TEC shall utilize information within the UI system to identify potential layoff or plant closing situations. With such an alert, the state begins to watch for further layoffs and to use other information such as newspaper articles, data on declining industries, background knowledge of local officials or PIC members to develop the necessary information to decide when and what services to offer the company and its employees. The services may vary from assisting with economic development efforts to improve the economic health of the company and thereby avoid further worker dislocations, to helping establish a labor-management committee to assist the dislocated workers, to coordination of all necessary services to return the workers to new jobs in the community.

Several types of exchanges between the UI system and the local level EDWAA service provider will be used in the state of Texas to demonstrate the intent of the mandate for coordination in the Act.

Local level coordination procedures for EDWAA and the UI system are developed by staff of the TEC and the Management Information System section of Commerce (operates statewide MIS system). A task force of SSA representatives and TEC field staff assisted in establishing UI information which will/may be provided to the substate grantees.

- a. To help determine an EDWAA applicant's eligibility, the substate grantee will submit to TEC a request for information signed by the unemployment insurance claimant authorizing the release of information in regard to the individual's

claim. Within seven working days of receipt of the request, TEC will return the form advising the SSA that the claimant:

- is eligible for UI benefits;
- is not eligible for UI benefits; or
- has exhausted UI benefits.

- b. Also, because experience with dislocated workers strongly suggests that early intervention, even before layoff or plant closure has occurred, is instrumental in accelerating the reemployment of eligible participants, the UI system will be used by the state as a mechanism for identifying dislocated workers at the local level who are not part of a clearly identifiable plant closing or mass layoff situation.

Because of the large number of workers that routinely flow through the UI system (sixty-seven per cent according to Bureau of Labor Statistics, January, 1986), identification and referral of individual workers on permanent layoff could be made at the time of their UI benefits application, thus forming an integrated dislocated worker service delivery system among UI - EDWAA - Employment Services. Each SSA will negotiate what linkages will be created and maintained in their area and within their organizational structure. Examples of such linkages include the outstationing of JTPA staff at local UI offices to make on-site referrals to EDWAA services. Or possibly, TEC staff could be located in the substate grantee office or other EDWAA intake location to provide for joint application processing (UI and EDWAA). Another possibility would be to simply provide a referral notice to an individual who appears to be an eligible dislocated worker.

- c. EDWAA links future eligibility for needs-related payments after exhaustion of UI benefits to enrollment in retraining services by the 13th week of initial eligibility for UI. Therefore, a notice explaining this restriction to the dislocated worker identified in (b) who is still receiving UI benefits in the eighth week, could be transmitted during the individual's eligibility review for UI.
- d. The UI system also could identify those workers who have received UI benefits for twenty or more weeks, and assist the staff from the JTPA Title III program

to reach these long-term unemployed workers who may need employment and training services.

To share the responsibility for assisting dislocated workers to become reemployed, any or all of these linkages rely on a tightly coordinated approach between TEC and the local EDWAA service provider. These ongoing exchange relationships must be defined in a written agreement, financial and/or non-financial, negotiated between the parties and renewed annually.

3. Coordination with Federal-State Employment Service

UI applicants register for work with the Employment Service (ES) division of TEC. In the process of the work application being completed, the employment interviewer will screen for potential EDWAA eligibility and refer appropriate individuals to the local service provider.

The extent of information provided during this interview in regard to EDWAA services and the referral process will be determined by the integrated service delivery structure established at the local level. In areas where TEC is not contracting to provide EDWAA services, the individual will be given a referral form to be delivered to the EDWAA service provider. This will be a two-part form with the request that the service provider return one part to TEC indicating if the individual is enrolled in training or other services or has entered employment. This will enable TEC to inactivate the individual's work application.

4. Coordination with the Carl D. Perkins Vocational Education Act

In 1987, the Texas Higher Education Coordinating Board and the state JTPA office jointly funded the development and publication of Navigating the Labyrinth: the Connection Between the Carl D. Perkins Vocational Education Act and the Job Training Partnership Act. This initiative was funded with Carl Perkins Vocational Education Act and JTPA funds and was jointly updated in 1989. This publication has been distributed as a basic tool for use in the joint and collaborative planning of Carl Perkins and JTPA funded programs.

This material was initially presented in a series of workshops held in four locations throughout Texas in 1988. In 1989-90 an expanded series of 22 regional workshops were held. These workshops provided the opportunity for public secondary, post secondary schools and JTPA staff to learn about each others' programs and to initiate collaborative projects involving joint funding. Additionally, coordination workshops were presented at the Title III/EDWAA planning conference, January 17-18, 1990.

The opportunity for coordination and joint planning of the Carl D. Perkins Vocational Education Act and JTPA for Dislocated Workers is primarily in Title IIA (Adults in Need of Training/ Retraining) and IIB (Improvement/ Innovation/ Expansion) of the Carl Perkins Act. Appropriate activities are summarized below:

JTPA Activities

Assessment; vocational education; counseling; support services; job search and placement; remediation and literacy training; upgrading; relocation. (Title IIA 3%; Title III)

Perkins Activities

Curriculum development & revision; modern training equipment purchase; expansion of facilities or schedules to accommodate training needs; remediation and literacy related to VE program; entrepreneurial training. (Title IIA Adults; Title IIB)

Other Funding Sources

Unemployment compensation; Trade Adjustment Assistance; Wagner-Peyser; Adult Basic Education; Pell Grants

Title III A (Community-Based Organization Programs) of Carl Perkins deals with youth programs and is not applicable to dislocated workers. Title IIIB (Consumer and Homemaker Education) deals with the provision of consumer and home economics educational curriculums to high school students.

Title III C (Adult Training, Retraining, and Employment Development) is the most applicable piece of Carl Perkins for dislocated workers. However, it has not yet been funded by Congress. The purpose of this part is "to expand and improve vocational education programs designed to meet urgent needs for training,

retraining, and employment development of adults who have completed or left high school. . .or have entered the labor market, in order to equip adults with the competencies and skills required for productive employment. . ."

Carl Perkins Title III D-Comprehensive Career Guidance and Counseling Programs and Title III E-Industry-Education Partnership for Training in High-Technology Occupations also have not yet been funded by Congress. Carl Perkins IIB funds may be used for Part III D purposes. Title III E is "to provide incentives for business and industry and the vocational education community to develop programs to train the skilled workers needed to produce, install, operate, and maintain high-technology equipment, systems, and processes; and to ensure that such programs are relevant to the labor market and accessible to all segments of the population including women, minorities, the handicapped, and the economically disadvantaged."

In the event that Parts III C, III D and III E of Carl Perkins become funded, the state will include in future state plans the methods and procedures for coordinating vocational education programs, services and activities with the Texas Education Agency and the Texas Higher Education Coordinating Board. These agreements will be expedited. The Texas Education Agency is represented on the SJTCC.

This coordination agreement will be presented to the State Job Training Coordinating Council so that they may take it into account in formulating recommendations to the Governor for the Governor's Coordination and Special Services Plan.

5. Coordination with Title IIA Programs

The service deliverers in the state are the same as those for Title IIA of JTPA. This enables a coordinated planning process which includes all JTPA programs at the local level. Because the service deliverers for EDWAA are the same as for Title IIA, participants can be screened at intake for eligibility under both Titles and placed where the most appropriate types of services can be provided to the eligible participant. Substate areas are required to describe local Title III/IIA coordination procedures in the substate plan, including co-enrollment: also, as mentioned in II. A. 1., local plans for all JTPA Titles must comply with the Governor's

Coordination and Special Services Plan. The importance of coordination between Titles, as well as among various organizations and agencies, is emphasized in the specific provision for disapproval of local job training plans on the basis of non-compliance with the Governor's coordination criteria.

6 Coordination with Veterans' Administration Programs

Currently Commerce administers the JTPA Title IV-C Veterans' programs at the state level. Commerce contracts to provide services at various sites throughout the state. In addition, the Title IV-C programs and the Title III/EDWAA program have working agreements with the employment service to further maximize services to veterans.

Commerce coordinates all other training, employment and education programs which may have special provisions for veterans with the PY90 – PY91 EDWAA programs at both the state and substate levels. Eligible veterans will be referred to existing Title IIA and Title III service providers.

Efforts will continue to utilize other veterans groups and organizations, specifically Veterans Hospital, Veterans Service Organization, American Legion, VFW, VVA, Vet Center and Veterans County Service Officers in the state to assure that eligible veterans are directed to agencies providing EDWAA services. This outreach effort will maximize the number of veterans served through Title III and other JTPA resources.

7. Coordination with the Trade Adjustment Act (TAA)

The TAA is administered by TEC. The importance of the integration of the service delivery systems for dislocated workers services available from TEC and the EDWAA substate grantee cannot be overstated. The specific structure for service delivery and designation of EDWAA services which may be performed by TEC under contract will be established by an agreement at the local level. Regardless of physical arrangement and delineation of responsibilities, however, the two systems will exchange information and use the resources of both programs for the maximum benefit of the client.

The collaboration of staff will facilitate the intake process for both programs. Staff of both programs will be expected to make the extra effort to share information and minimize duplication of actions required of the client. TEC will identify, in the application process for UI and ES, workers potentially eligible for EDWAA and refer them to the designated intake point. The substate grantee will be provided with a list of TAA certifications, updated routinely, by TEC. EDWAA staff will identify clients who are also trade affected workers and refer them to TEC for potential TAA services.

For workers who are eligible for both EDWAA and TAA services, EDWAA and/or TAA funds may be used for appropriate training with the determination being based on the optimum benefit for each client. This will require joint planning and ongoing coordination in the management of funds. Clients served by both EDWAA and TAA may receive testing or other assessment services by one or both organizations, with care taken not to duplicate the function. A local arrangement will be established so that testing results will be shared.

The substate grantee will provide to TEC on a monthly basis a list of those individuals certified for TAA who have obtained employment following EDWAA-funded training; likewise, TEC will provide to the substate grantee on a monthly basis a list of those individuals enrolled in EDWAA who have obtained employment following TAA funded-training.

In order to facilitate this linkage throughout the state, Commerce and TEC will jointly sponsor training workshops in various cities so that EDWAA and TAA staff can become knowledgeable and conversant in each other's programs.

The potential for further and more effective integration of service delivery exists as the staff of the two programs gain experience with their reciprocal agreements and develop closer working relationships. The elements of successful local arrangements and resolutions of problems will be shared throughout the state in order to facilitate the continued development of an effective service delivery system.

The interagency agreement specifying shared and separate obligations regarding the coordination of EDWAA and TAA is attached.

II.B. PROGRAM ADMINISTRATION

1. The selected substate areas for Title III/EDWAA are as follows:

ALAMO

City of San Antonio, Atascosa, Bandera, Bexar, Comal, Frio, Gillespie, Guadalupe, Karnes, Kendall, Kerr, Medina, Wilson

RURAL CAPITAL AREA

Bastrop, Blanco, Burnet, Caldwell, Fayette, Hays, Lee, Llano, Williamson

BALANCE OF COASTAL BEND

Aransas, Bee, Brooks, Duval, Jim Wells, Kenedy, Kleberg, Live Oak, McMullen, Refugio, San Patricio

BALANCE OF DALLAS COUNTY

BALANCE OF NORTH CENTRAL

Denton, Ellis, Erath, Hood, Hunt, Johnson, Kaufman, Navarro, Palo Pinto, Parker, Rockwall, Somervell, Wise

BALANCE OF SOUTH PLAINS

Bailey, Cochran, Crosby, Dickens, Floyd, Hale, Hockley, King, Lamb, Lynn, Motely, Terry, Yoakum

BALANCE OF TARRANT COUNTY

BRAZOS VALLEY

Brazos, Burleson, Grimes, Leon, Madison, Robertson, Washington

CAMERON COUNTY

CENTRAL TEXAS

Bell, Coryell, Hamilton, Lampasas, Milam, Mills, San Saba

COLLIN COUNTY

CITY OF AUSTIN - TRAVIS COUNTY

CITY OF CORPUS CHRISTI - NUECES COUNTY

CITY OF DALLAS

CONCHO VALLEY

Coke, Concho, Crockett, Irion, Kimble, McCulloch, Mason, Menard, Reagan, Schleicher, Sterling, Sutton, Tom Green

DEEP EAST TEXAS

Angelina, Houston, Jasper, Nacogdoches, Newton, Polk, Sabine, San Augustine, San Jacinto, Shelby, Trinity, Tyler

EAST TEXAS

Anderson, Camp, Cherokee, Gregg, Harrison, Henderson, Marion, Panola, Rains, Rusk, Smith, Upshur, Van Zandt, Wood

FORT WORTH CONSORTIUM

City of Fort Worth, City of Arlington, City of Bedford, City of Euless, Haltom City, City of White Settlement

GOLDEN CRESCENT

Calhoun, Dewitt, Goliad, Gonzales, Jackson, Lavaca, Victoria

HEART OF TEXAS

Bosque, Falls, Freestone, Hill, Limestone, McLennan

HIDALGO COUNTY - WILLACY COUNTY

HOUSTON - GALVESTON AREA (Comprised of City of Houston, Harris County and Balance of Gulf Coast SDAs)

LUBBOCK/GARZA COUNTY

MIDDLE RIO GRANDE

Dimmit, Edwards, Kinney, LaSalle, Maverick, Real, Uvalde, Val Verde, Zavala

NORTH EAST

Bowie, Cass, Delta, Franklin, Hopkins, Lamar, Morris, Red River, Titus

NORTH TEXAS

Archer, Baylor, Clay, Cottle, Foard, Hardeman, Jack, Montague, Wichita, Wilbarger, Young

PANHANDLE

Armstrong, Briscoe, Carson, Castro, Childress, Collingsworth, Dallam, Deaf Smith, Donley, Gray, Hall, Hansford, Hartley, Hemphill, Hutchinson, Lipscomb, Moore, Ochiltree, Oldham, Parmer, Potter, Randall, Roberts, Sherman, Swisher, Wheeler

PERMIAN BASIN

Andrews, Borden, Crane, Dawson, Ector, Gaines, Glasscock, Howard, Loving,
Martin, Midland, Pecos, Reeves, Terrell, Upton, Ward, Winkler

SOUTH EAST

Hardin, Jefferson, Orange

SOUTH TEXAS

Jim Hogg, Starr, Webb, Zapata

TEXOMA

Cooke, Fannin, Grayson

UPPER RIO GRANDE

Brewster, Culberson, El Paso, Hudspeth, Jeff Davis, Presidio

WEST CENTRAL

Brown, Callahan, Coleman, Comanche, Eastland, Fisher, Haskell, Jones, Kent,
Knox, Mitchell, Nolan, Runnels, Scurry, Shackelford, Stephens, Stonewall, Taylor,
Throckmorton

2. The selected substate grantees are as follows:

- * City of San Antonio
- * Rural Capital Area Private Industry Council
- * Collin County
- * Rural Coastal Bend Private Industry Council
- * Dallas County
- * Houston-Galveston Area Council of Governments
- * North Central Texas Council of Governments
- * South Plains Community Action Association
- * Tarrant County
- * Brazos Valley Private Industry Council, Inc.
- * Cameron County Private Industry Council
- * Central Texas Council of Governments
- * Austin (City of) / Travis County Private Industry Council
- * Corpus Christi/Nueces County Private Industry Council
- * Private Industry Council of Dallas
- * Lubbock/Garza Counties Private Industry Council
- * Concho Valley Council of Governments
- * Deep East Texas Council of Governments
- * East Texas Council of Governments
- * City of Fort Worth
- * Golden Crescent Private Industry Council
- * Heart of Texas Council of Governments
- * Hidalgo County
- * Middle Rio Grande Development Council
- * Ark-Tex Council of Governments
- * Nortex Regional Planning Commission

- * Panhandle Regional Planning Commission
 - * Permian Basin Regional Planning Commission
 - * Southeast Texas Regional Planning Commission
 - * South Texas Private Industry Council
 - * Texoma Council of Governments
 - * Upper Rio Grande Private Industry Council
 - * West Central Texas Council of Governments
3. The Act requires fifty per cent (50%) of funds allotted to the state to be allocated to substate areas based on a formula prescribed by the Governor and which includes six required factors [Sec. 302(d)].

The state of Texas has formula allocated 60 per cent of the Title III funds based on the following formula. These formula factors are represented by the data and weights described below:

Allocation Formula, PY 90-91:

- **Insured Unemployment:**

Data provided by TEC, for July 1988 - June 1989

Formula - The annual average insured unemployed by per cent of Texas total

Weight: 19.998%

- **Unemployment Concentration:**

Data provided by TEC for July 1988 - June 1989

Formula - The annual average unemployment rate

Weight: 19.998%

- **Plant Closings and Mass Layoffs:**

Data provided by the Texas Employment Commission, Permanent Mass Layoff and Plant Closing (PMLPC) Program and the Dislocated Worker Unit's Warn Database, January 89 – December 89.

Formula - The DWU procedures for receipt of advance notice of plant closings and mass layoffs, as specified under WARN, have been in effect since December 1988. The DWU maintains a database of all closure and layoffs reported. Data is also obtained from the Texas Employment Commission. This is the first year that significant plant closure/mass layoff data has been available.

Weight: 19.998%

- **Declining Industries:**

Data provided by TEC Covered Wages and Employment Program, for the period 1st quarter 1988 through 1st quarter 1989.

Formula - The ten industries showing the greatest decline in population for the state of Texas are as follows:

1. oil & gas extraction SIC 13
2. special trades construction SIC 17
3. general building construction SIC 15
4. real estate SIC 65
5. lumber and wood products SIC 24
6. building materials SIC 52
7. stone, clay and glass products SIC 32

- | | |
|--------------------------------|--------|
| 8. printing and publishing | SIC 27 |
| 9. petroleum and coal products | SIC 29 |
| 10. credit agencies | SIC 61 |

These 10 industries were then extracted from each individual Service Delivery Area (SDA) for comparison and the same base and terminal year were compared for growth and/or decline. All thirty-four SDAs in Texas show decline in at least two of the ten industries. However, several of the SDAs indicate a negative growth in all ten categories.

Weight: 19.998%

- **Farmer/Rancher Economic Hardship Data:**

Data provided by Bureau of Economic Analysis Regional Economic Information System, levels of farm employment in 1984 compared to 1986.

Formula - Reliable data is not available. The state will continue to work with the Department of Labor to find a methodology for the collection of this data so that it can be used in the PY91 formula.

Weight: 0.010%

- **Long-Term Unemployment:**

Data provided by TEC for period July 1988 - June 1989.

Formula - Number of long-term unemployed and UI benefit exhaustees by SSA relative to the Texas total.

Weight: 19.998%

**Substate Areas For Title III/EDWAA
Formula Allocations
PY90**

Total Allotment	\$39,866,018
state 40% Funds	\$15,946,407
60% Allocation	\$23,919,611

Substate Areas	Allocation
Alamo	\$2,311,444
Austin/Travis Co.	927,626
Brazos Valley	210,157
Cameron Co.	269,012
Central Texas	295,897
Collin Co.	200,000
Concho Co.	231,343
Corpus Christi/Nueces Co.	437,053
Dallas, City	1,021,588
Dallas Co.	3,087,402
Deep East Texas	233,166
East Texas	1,000,805
Fort Worth Consortium	1,116,419
Golden Crescent	200,000
Gulf Coast*	4,374,540
Heart of Texas	277,436
Hidalgo/Willacy Counties	812,646
Lubbock/Garza Counties	200,000
Middle Rio Grande	225,457
North Central Texas	1,065,670
North East Texas	319,473
North Texas	295,370
Panhandle	200,000
Permian Basin	736,920
Rural Capitol Area	344,657
Rural Coastal Bend	243,145
South East Texas	560,994

South Plains	200,000
South Texas	255,242
Tarrant Co.	496,383
Texoma	200,000
Upper Rio Grande	1,154,618
West Central Texas	415,148

* Substate area comprised of City of Houston, Harris County, and Balance of Gulf Coast SDAs.

4. The amount which must be made available for reallocation is equal to the total excess unexpended funds which is defined in the Act as all unexpended formula funds in the state at the end of the program year in excess of twenty per cent.

The state must establish procedures by which to identify the amount of funds from both the sixty (60) per cent allocated to the substate grantees and the forty per cent reserve which exceed allowable carry-out and, therefore, must be made available for reallocation.

Procedures for reallocation are as follows:

I. Identifying Excess Funds from 60% Substate Allocation.

A. Upon receipt of Quarterly Report containing data through March, the Dislocated Worker Unit (DWU) prepares an internal report estimating under-expenditure by each substate grantee and the total under-expenditure of formula-allocated funds. If the total excess amount is 20% or less, no action is taken. If the total estimated excess is greater than 20%, the Fiscal Division is notified of the likelihood the necessity for making such funds available to the Secretary for reallocation.

B. In order to determine the actual amount of excess carry-out funds, Substate grantees will be required to submit an annual financial closeout by July 31 which shall contain the following:

- Recipient's Grant Release Statement

- Financial Expenditure Report
- Financial Closeout Statements
- Outstanding Obligations/Liabilities Register
- Outstanding Check Register

- C. In the event that closeout package has not been submitted in time, the last submitted JTPA Financial Status Report (Form 1000) will be considered the Close-out Financial Statement. Non-receipt of prior program period's closeout at the DWU by the due date will result in withholding of funds of the current contract.
- D. Should there be any adjustments, based on the audit report and/or unanticipated expenditures 90 days after the close of the program, those adjustments should be made to an amended expenditure close-out and to the Prior Period Adjustment sub-ledger.
- E. Fiscal Division is notified by August 15 of the amount which must be made available to the Secretary for reallocation.

II. Identifying Excess Funds from 40% Reserve Funds.

- A. Title III State Reserve Funds will be monitored closely. Fiscal shall provide monthly expenditure reports to the program staff.
- B. The Fiscal Division prepares an internal report containing expenditure data through February, estimating excess state reserve funds which are at risk. This report is submitted to program staff by March 20. If the total excess amount is 20% or less, no action need be taken. If the total estimated excess is greater than 20%, program staff accelerates state activities.
- C. In order to determine the actual amount of excess carry-out funds, the Fiscal Division submits an annual financial closeout report on the previous year to

program staff by July 31. This report shall be used for modifying the program plan for the current program year.

III. The Fiscal Division shall submit an expenditure report on all JTPA Title III/EDWAA funds identifying those funds available for reallocation to the Secretary by August 5 of each program year.

IV. If a major plant closing or mass layoff, or a series of such actions, occurs which cannot be addressed by the funds allotted to Texas, the Governor may apply for discretionary funds from the U.S. Department of Labor. The application for funds will be developed by the DWU with assistance from the local PIC and chief elected official of the area affected by the dislocation.

5. Use of the State's Ten Percent Allocation

The Governor has determined that 60% of the Title III allocation for PY90 – PY91 will be formula-allocated to the substate grantees effective July 1, 1990.

6. Displaced Homemakers

The State will allow for the provision of services to displaced homemakers. The decision to provide services will be a substate option. Services to displaced homemakers will be delivered in accordance to, and in conjunction with, ongoing dislocated worker programs as required by Section 311(b)(4), (5) and (10) of JTPA.

7. Monitoring and Oversight of State and SSA Activities

The Program Oversight Branch and the Accounting Division of the Texas Department of Commerce will provide monitoring and oversight of all state and substate activities.

The state shall continue to utilize the existing monitoring system to perform on-site monitoring and evaluations of all substate grantees. The monitoring function is assigned to the Program Oversight Branch of the Work Force Development Division. The Program Oversight Branch conducts both programmatic and

financial monitoring of all grant recipients. Presently all monitoring activities are fully coordinated with Technical Assistance and the DWU prior to on-site visits and after the on-site visits to ensure that appropriate follow-up, if necessary, is effectively implemented. Monitoring strategy will be designed to address the substate grantees' annual plan or modification thereof as stated in Section 631.31 of the DOL Regulations cited above. Formal reports to the substate grantees will be prepared and timely follow-up actions will be taken on any findings related to out of compliance items. Program Oversight monitoring staff will provide copies of all reports and follow-up documentation to the Technical Assistance Branch. A checklist has been developed to address the requirements of the Title III/EDWAA program.

The State shall continue to monitor all expenditure data through its present accounting system. Accounting records have been programmed to track the new state and substate cost classifications, including the Governor's 40% State reserve. In addition, the State has developed a financial reporting form which includes the cost classifications that apply at the substate level. This reporting form will be submitted by each substate grantee on a monthly basis.

In addition, the SJTCC is empowered by the Act to review the operation of programs conducted in each SSA, and the availability, responsiveness, and adequacy of state services.

II.C. Performance Standards

1. Section 106(g) of the Act requires states to prescribe performance standards for programs under Title III based on placement and retention in unsubsidized employment. An entered employment rate of 64 per cent is the Secretary's national standard for PY 1990 - PY91. The Governor may also establish an average wage at placement goal.

The Governor has established an average wage at placement goal of \$8.05 per hour to be used as a departure point for substate area adjustments. The determination of \$8.05 as a departure point was based upon the actual average hourly wage at termination for Texas Title III/EDWAA programs in PY87.

The DOL optional adjustment methodology for use in varying substate standards to account for participant characteristics and local economic conditions will be used to assure equitable and objective measurement of substate area performance. This methodology will adjust the average wage at placement goal. The adjusted average wage at placement is the benchmark to be used for assessing, evaluating, and monitoring contractor performance under this measure. The state average wage at placement goal of \$8.05 per hour will not be used as a statewide monitoring measure.

In addition to these measures, the Governor has prescribed a minimum expenditure rate for Title III programs of 85%.

The Title III PY90 performance measures are described below:

- Average Wage at Placement Goal Adjusted from \$8.05 per hour
- Entered Employment Rate Standard Adjusted from 64%
- Minimum Expenditure Rate Standard 85%

2. A portion of the 40 per cent funds reserved for State activities under section 302(c)(1) may be used for rewarding substate area programs that provide lengthier, more substantive training to participants.

Funds will not be set aside to provide monetary incentives for long-term training. However, both performance and the extent to which a substate grantee has made commitments to long-term training will be taken into consideration in granting statewide, deobligated, and carryover funds.

3. Section 106(h) requires the Governor to provide technical assistance to programs that do not meet performance criteria and describes sanctions that may be imposed for failure to meet performance standards for a second year.

The state will provide technical assistance and require a corrective action plan for SDAs failing performance criteria the first year.

Failure to meet performance standards for a second year will result in the implementation of a reorganization plan.

III. STATE OPERATION (DWU)

A. Dislocated Worker Unit

1. The Texas Department of Commerce (Commerce) has been designated by the Governor as the state agency to comply with the requirements of the EDWAA legislation, as well as with the requirements of the 1988 Worker Adjustment and Retraining Notification Act (WARN). In addition, Commerce must fulfill the extensive coordination requirements mandated by the OTCA of 1988 between EDWAA and the Trade Adjustment Act (TAA).

a. Organization of the DWU

The Dislocated Worker Unit (DWU) responsibilities have been assigned to the Work Force Development Division (WFDD). This Division administers the Title III/EDWAA Formula funds, the 40% State reserve funds, the Rapid Response activities, the Title III Discretionary National Reserve Fund programs and the WARN program.

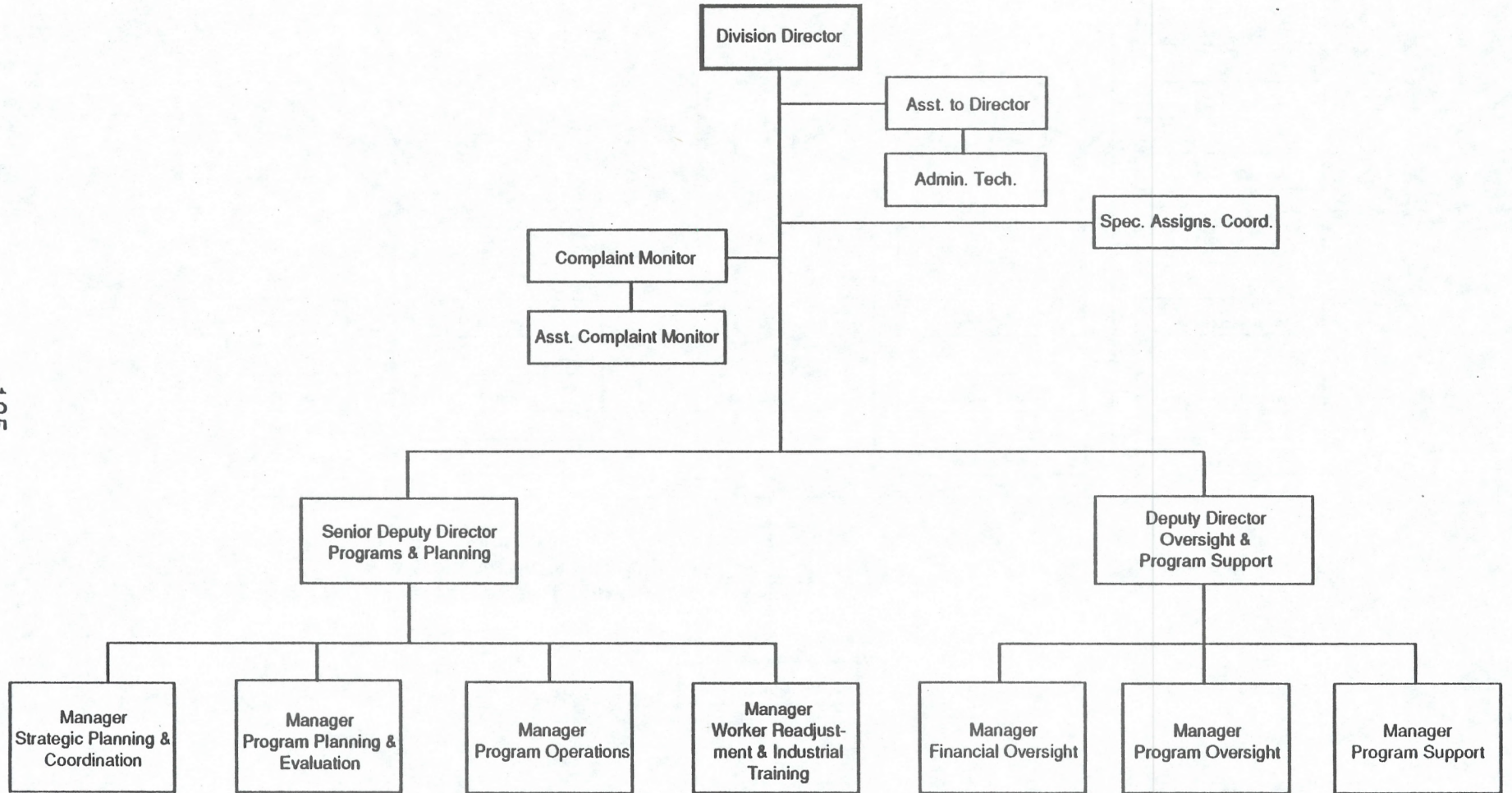
b. Functions of DWU

The overall functions of the Texas DWU are comprised of the following activities:

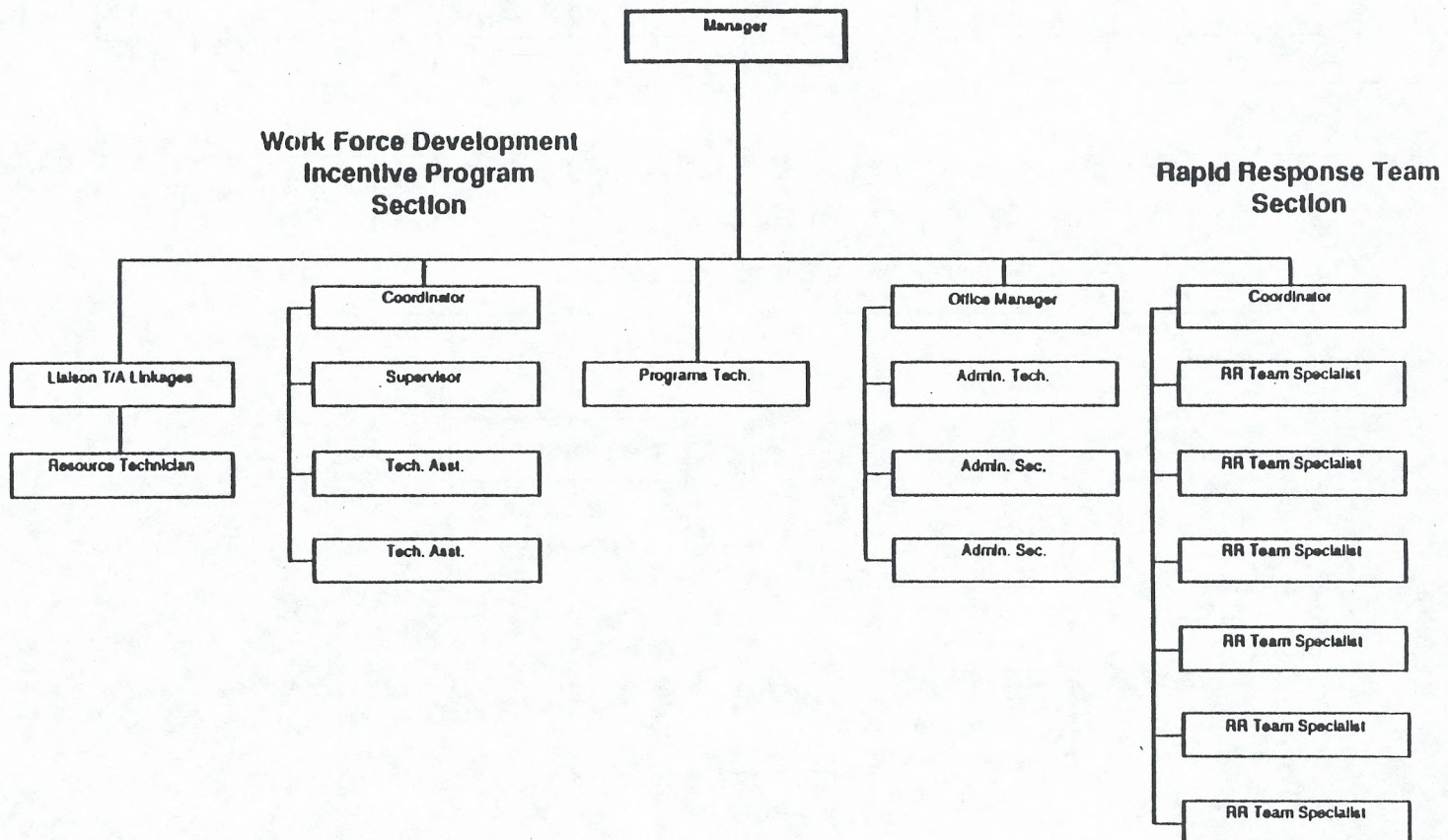
- Make appropriate retraining and basic readjustment services available through rapid response teams, substate grantees and other appropriate organizations. Ensure that substate grantees are quickly made aware of dislocations in order to participate in the development and provision of services.

- Work with employers and labor organizations or employee representatives to promote labor-management cooperation to address worker dislocation.
- Work with economic development agencies and other appropriate agencies to assist in efforts to avert worker dislocation. Assist local communities in obtaining access to other economic development assistance.
- Assist local communities in developing their own coordinated response to plant closings and mass layoffs (local community task forces).
- Arrange for the receipt and processing of notices of plant closings and mass layoffs.
- Promote voluntary notices of plant closings and mass layoffs in situations where mandatory notice is not required. Assist employers desiring to provide voluntary advance notices in the preparation of such notices.
- Provide technical assistance and advice to substate grantees, including PICs and other community task forces involved with Rapid Response activities.
- Collect, disseminate, and exchange information and coordinate programs with state and other programs to assist dislocated workers.
- Disseminate information throughout the state on EDWAA programs and services.
- Provide other assistance as deemed appropriate by state Rapid Response Teams and local LMC within the parameters of the EDWAA Act.

**TEXAS DEPARTMENT OF COMMERCE
Work Force Development Division**



WORKER READJUSTMENT & INDUSTRIAL TRAINING BRANCH



c. Staffing of the DWU

The staffing of the DWU unit is comprised of the Work Force Development Division (WFDD) which currently administers Title III/EDWAA Formula, 40% State Reserve, Rapid Response, Discretionary and WARN programs. Chart 3 describes the overall WFDD staffing patterns and chart 4 indicates the Rapid Response team within the Worker Readjustment and Industrial Training Branch. In addition, the DWU will work with a standing Interagency Worker Dislocation Task Force including, but not limited to, staff from the Governor's office, the DWU (Commerce), the Texas Employment Commission, the Department of Human Services, the Texas Education Agency, and the Higher Education Coordinating Board. At the discretion of the Governor, the task force can be expanded on an ad hoc basis, depending upon the nature of the worker dislocation. The task force can be activated to serve natural disasters or major layoffs involving 200 or more workers.

The Dislocated Worker Unit (DWU) will provide assistance in instances of permanent plant closures and substantial layoffs throughout the state through a two-fold delivery system:

Chronic Dislocation Programs - This program model presents a structure for the provision of services in areas which have experienced, and will continue to experience, long-term or chronic displacement of workers due to widespread structural problems in the local economy. The Sixty per cent formula funds have been allocated for this purpose by the SJTCC.

Acute Dislocation/Rapid Response Programs - The program model presents a structure through which the state can make or facilitate a rapid response to acute layoff activity or large reductions in an organization's work force.

d. DWU/RR Capacity

The DWU will have the capacity to respond rapidly, on-site, to permanent closures and substantial layoffs throughout the state in order to assess the

need for, and initially to provide for, appropriate basic readjustment services through existing and/or rapid response contracts [refer to Part III(A)(2) of Texas State Plan for detailed description of this activity]. Sections III(A)(9),(10) of this plan spell out the relationship between the Rapid Response activities and the receipt of WARN notices, which is a critical adjunct to the EDWAA legislation.

The efforts of the DWU will be strengthened through the activation of interagency agreements at the state and local levels.

e. DWU Rapid Response Functions

The major functions of the Texas DWU/RR Team are as follows:

- Keeps all parties informed of Rapid Response activities, primarily State Interagency Worker Dislocation Task Force;
- Activate intra and interagency agreements as necessary;
- Establish on-site contact with employers and labor organizations or employees as soon as possible following receipt of a notice of plant closing or mass layoff.
- Promote the establishment of and work with labor-management committees. In carrying out this activity, rapid response specialists may, as appropriate, provide financial assistance to cover the non-personnel start-up costs of the committee. The rapid response specialist may also provide a list of individuals from which a chairperson may be selected, provide technical advice and information on sources of assistance and assist in coordinating with other public and private services and programs.
- Provide assistance in the selection of worker representatives to participate on the labor-management committee in the event no union is present. Participate with management, or labor, in the operation of

a committee or in determining the types of services to be available where either party does not wish to be involved in program services.

- Conduct initial assessment activities related to affected workers and to the need for specific services.
- Arrange for and coordinate necessary additional state program resources.
- Arrange for a variety of local services to be provided by substate grantees or other entities as appropriate:
 - Early intervention services
 - Basic readjustment services
 - Retraining services
 - Community services including mental health, family and financial counseling, and the United Way
- Assess the relevance of various strategies related to averting the layoff/closing.

f. Activation of Rapid Response

Rapid Response is generally activated by the 60-day WARN notifying the DWU of a plant closing. However, the state of Texas, through its current operation of the WARN program has learned of plant closings and mass layoffs through its substate grantee, newspaper articles, notice from local elected officials, affected companies and employees, and other non-WARN sources. Under WARN, only companies who employ 100 or more employees are required to supply advance notice to its employees, the state DWU, and to the chief elected official. The Texas DWU encourages employers who do not fall under WARN to provide advance notice on a voluntary basis.

Since substate grantees who administer Title III programs generally address smaller layoffs and plant closings, the Texas DWU recommends the Rapid Response team be activated automatically under the following conditions:

- Receipt of WARN notice;
- Receipt of other form of notice affecting 50 or more employees;
- Plant closing or mass layoff which affects less than 50 employees but occurs in a business or industry which forms the economic base of a small community (less than 50,000 population). The DWU, in conjunction with the substate grantee and selected representatives of the community, shall make this determination;
- Instances where substate action is not available or inappropriate;
- Natural disasters or dislocations involving 200 or more workers will, at the Governor's discretion, activate the Interagency Worker Dislocation Task Force.

2. Arrangement for the Provision of Retraining and Basic Readjustment Services

The DWU will arrange for the provision of retraining and basic readjustment services to dislocated workers in three forms:

- a. Formula allocating 60 per cent of Title III funds to substate grantees and supplementing those programs with 40 per cent state reserve funds as needed;
- b. Through rapid response initiatives as determined by DWU/RR Unit;
- c. Through statewide, regional or industry-wide projects.

Substate grantees receiving formula-allocated funds would have the capacity to provide retraining and basic readjustment services to affected workers in their area. Those areas in need of additional funds due to increased demand for services may apply for 40 per cent state reserve funds.

Through a state approved substate plan, a substate grantee will assure delivery of retraining and basic readjustment services to dislocated workers in their area. Through this plan, substate grantees may subcontract as necessary to meet their program goals and objectives.

3. The DWU will be responsible, as part of its rapid response and early intervention functions, for determining the necessity of establishing a labor-management committee.

Since the creation of the labor-management committee is based on voluntary agreement by both employer and labor, the determination process will consider the willingness and interest of the company and employees to participate.

After a determination has been made to have a committee, the DWU will contact the company management and employee/labor affiliates to recommend the establishment of a labor-management committee.

After selection of labor and management representatives to serve on the committee, Rapid Response staff may make recommendations for a neutral chairperson, with final approval resting on the joint agreement between the labor and management representatives. In essence, labor management committees would mobilize and utilize company or in-house resources, and rapid response staff would provide a coordinated approach to accessing outside sources.

4. The Program Oversight Branch is responsible for Title III/EDWAA Program and Financial monitoring. Each Title III/EDWAA contract is monitored yearly to insure that contracting and operating procedures are in compliance with federal and state policies. Pre-award, property procurement, and inventory control reviews are also the responsibility of this branch of the Work Force

Development Division. Program Oversight is also responsible for monitoring Rapid Response activities yearly.

Monitoring reports are sent to the contractor or entity after each review, identifying compliance and program management deficiencies with appropriate corrective action to be taken, to ensure adequate oversight of all Title III/EDWAA activities and to ensure the proper use of funds. The Program Oversight Branch will coordinate all monitoring activities with the Worker Readjustment and Technical Assistance Branches to assist contractors in meeting federal and state requirements.

The Worker Readjustment and Industrial Training Branch (WRIT) of the Work Force Development Division has established a data base on WARN notices received by the state, including voluntary submissions by businesses anticipating plant closures or mass layoffs. This information includes data required under the WARN Act, on-site visits to affected companies, contact with current substate grantee in the area, and preliminary assessment of Title III response through existing programs or Rapid Response initiative.

The purpose of the WRIT's reporting and management system is to track all Rapid Response activities from the receipt of the WARN notice to the initiation of Title III/EDWAA services.

5. The DWU will provide technical assistance and advice to substate grantees through the Technical Assistance and Worker Readjustment and Industrial Training Branches. The DWU will provide planning guidelines to SSA/Substate Grantees for PY90 - PY91 EDWAA plans and work with each to develop plans which ensure maximum service levels. The DWU will then coordinate review of the Plans and negotiate with each SSA/Substate Grantee an approved contract. DWU staff will work with SSA/Substate Grantee staff to assist them to:

- a. meet Commerce and other State and Federal requirements;
- b. identify and develop a strategy to resolve problems in the program;

- c. achieve and exceed performance standards;
- d. provide other technical assistance as requested.

The DWU will coordinate all available resources and expertise to provide organized and consistent communications with SSA/Substate Grantees to assist them in managing their existing system and implementing these new program efforts. To this end, the Technical Assistance Branch will provide technical assistance to local program staff to identify potential participants and to assist in the determination of the eligibility where it is questionable.

With respect to Rapid Response, the DWU will notify the SSA/Substate Grantee regarding impending dislocations of which the DWU is made aware. The State Rapid Response staff will conduct on-site meetings with labor, management, and other agencies designated to participate in the process to conduct a preliminary assessment of services needed. The DWU will involve the substate grantee and any other potential operator as part of any agreement reached with LMC or other selected mechanisms. In all dislocations, basic readjustment services such as outreach, intake, employee surveys, assessment, other early intervention or pre-layoff assistance and funds allotted to the substate areas will be provided. Upon the initiation of program services to affected workers, extensive Rapid Response staff activity and involvement may be maintained through necessary provisions of technical assistance or as the need arises.

The DWU will assist the local communities in developing their own coordinated response (known in the Act as expeditious response) to smaller closures and layoffs that will not be appropriate candidates for the DWU Rapid Response or for LMC establishment. The DWU will review all materials and proposals regarding the need for additional funds under the forty per cent state reserve.

6. The DWU will exchange information and coordinate programs with the appropriate economic development agency and state education, training, and social services programs. This

coordination and exchange of information will be assured through interagency financial and non-financial agreements.

In regard to economic development coordination, the Texas Department of Commerce is the state designated economic development agency. The DWU coordinates with all other Commerce Divisions concerned with economic or business development activities. In addition, the Research and Planning Division provides economic and business data to the DWU, as does the Information Services Division. This includes supplemental information on current state economic conditions, economic trends, business or industry data on plant closings and mass layoffs, all of which directly affect the direction and activities of the DWU. Commerce currently has an interagency contract with the State Occupational Information Center (SOIC). SOIC has provided technical assistance, and will continue to do so, through interagency agreement, in the areas of economic and employment data bases which determine program resource allocations (Title III formula) and DWU utilization of State Reserve Funds.

The Department of Commerce, as the state economic development agency, operates the U.S. Department of Housing and Urban Development CDBG Small Cities program. In addition to providing infrastructure funds to small communities, CDBG program operates and administers the Texas Capital Fund, a development grant/loan program. Coordination will be developed and executed with the Community Initiatives Section, the Small Business Development Division and the National Business Development Section.

Depending on the nature and intensity of the economic dislocation in a given area, other state/local agencies involved in economic development will be brought into the Rapid Response activity. Some of these will be included in the agreements that are worked out at the state and substate areas (see Section III(A)(2)(3) of the Texas State Plan).

EDWAA coordination with other state agencies such as education, training and social services will take place at various levels. This will include the SJTCC which has representatives from the Texas Employment Commission, Texas Education Agency, the Texas Department of Human Services, and the

Texas Higher Education Coordinating Board. This coordination will extend into the Dislocated Worker Program through information and reporting activities at the SJTCC Quarterly meeting. Coordination with these and other agencies will also occur through the Interagency Dislocated Worker Task Force which is also comprised of representatives from these state agencies. In addition, the Governor has the discretion of activating any other state agency needed to address any dislocation throughout the state.

Commerce, through its Regional Planning efforts, has extensive and continuous contact with TEC, TEA, and Coordinating Board, Human Services, and other state agencies concerned with the plight of the dislocated worker.

Commerce, through its Work Force Incentive Program, has access to the state's community college system and has, over the past year, closely coordinated with the Title III/EDWAA program.

The DWU has, over the past year, fostered closer coordination with these agencies, as well as a number of other networks throughout the state, including the Texas State Technical Institute system, chambers of commerce, industrial foundations, and other organizations involved with the employment and training needs of dislocated workers.

Role of DWU Rapid Response Specialists

Chart 4 illustrates the strategic location of the DWU Rapid Response staff which will have direct and specific responsibility for economic development coordination during a Rapid Response activity. The specialists form a self-contained unit which receives notices of dislocations, activates the Rapid Response function, assesses the extent and intensity of the dislocation, forms labor-management and/or local task forces, develops a plan of action, and inventories and assesses all available resources at the federal, state, and local levels.

The Rapid Response Specialists shall possess a broad knowledge of employment/training resources, economic/business development resources

and community and economic development initiatives to assist in job retention and job creation strategies. The Work Force Incentive Program (WFI) is located within the DWU and is an integral part of the Rapid Response team. The WFI staff deals directly with the state's training system (community colleges, technical institutes) and the business and economic development community.

7. The DWU will coordinate the delivery of services and provide for exchange of information and coordinate with all other programs available to assist dislocated workers including the State Unemployment Insurance System, TAA and Federal-State employment service system (see Interagency Agreement with TEC) In addition, these interagency agreements will set forth mutual WARN responsibilities as well as mutual Rapid Response responsibilities (also, see Section IIA of Plan, Coordination).

8. Coordination with Veterans' Administration Programs

Currently Commerce administers the JTPA Title IV-C Veterans programs at the state level. Commerce contracts to provide selected services at various sites throughout the state. In addition, the Title IV-C programs have working agreements with the employment service to further maximize services to veterans. (See II.A.5)

Maximum efforts will be made to refer veterans to all other training, employment and education programs which may have special provisions for veterans with the PY90 – PY91 EDWAA programs at both the state and substate levels. Commerce has agreements with the Texas Employment Commission for coordination in regard to both the IV-C program and the Title III/EDWAA program. Veterans representatives are located in TEC local offices.

9. Describe the procedure for the receipt of advance notice of plant closings and mass layoffs, as provided at Section 3(a)(2) of the

Worker Adjustment and Retraining Notification Act (WARN), Public Law 100-379, 102 Stat. 898; and the procedures for notification of appropriate substate grantees.

The procedures for receipt of advance notice of plant closings and mass layoffs, as specified under WARN, have been in effect since December 1988. The Department of Commerce, Work Force Development Division has been designated as the DWU at the state level. As such, the DWU has undertaken the responsibility for receiving notices and notifying the appropriate substate grantee.

WARN procedures will follow these general guidelines:

- 1.) Designation of DWU by Governor was accomplished in December 1988.
- 2.) Affected business/company notifies the State DWU of impending plant closing or layoff.
 - a. If notified by telephone, the following procedures take place:
 - Call is documented and logged into the WARN database;
 - Pertinent data is recorded by DWU;
 - Company is advised of WARN requirements;
 - Correspondence to company includes copy of WARN legislation, WARN notification form, and name and address of chief elected official(s) and of local substate grantee (Title III contractor);
 - Contact is established with local substate grantee (telephone call or copy of letter);
 - DWU develops official file on the mass layoff or plant closing.
 - b. Notification By Letter

- Letter is logged in official files upon receipt;
 - Official file is developed;
 - Telephone call to affected company acknowledging receipt and/or requesting additional information required for full compliance with WARN;
 - Correspondence to company acknowledging receipt and/or requesting additional information (additional information may be provided company, such as copy of WARN legislation, name of chief elected officials, and name/address of local Title III contractor);
 - Contact is established with local Title III contractor through telephone call, correspondence, and on-site visit coordination;
 - Arrange for on-site visit, as necessary, after consultation with Title III contractor in area;
 - On-site visit will include meeting with company, union representatives (if applicable), Title III Contractor, Texas Employment Commission, local elected officials, economic development organizations, and other entities as required through state/local written agreements.
- c. Assessment of layoff or closure is conducted to determine appropriate steps necessary to address local situation; these steps generally include:
- Immediate assistance to laid-off workers through available Title III services; or execution of RR contract;
 - Formation of labor management committees, as necessary;
 - Assessment of local economic development environment;

- Identification of available resources to assist dislocated workers;
- Development of plan of action for dislocated worker assistance and/or community assistance through Title III funds, company funds, or other local/state resources.

10. Availability of Services

A two-tiered campaign to promote participation in the Dislocated Worker Program will include information being directed to workers and employers. Marketing materials may include brochures, posters, information kits, and public service announcements.

Information packets may be distributed locally to affected employees who have been notified of lay-off under WARN. Additionally, unemployment check stuffers will be mailed out up to three times per year, as well as fliers to be distributed through other cooperative agencies.

Posters will be made available to the 150 TEC offices, 33 SSA offices, libraries, community colleges, FHA offices, Texas Agricultural Extension offices, etc.

Public service announcements will include television, radio, print, billboards, transit (buses, taxi, etc.) and bumper stickers. Audiences will be targeted through the use of media relations kits for local SSA's and local press, publicity events, specialty advertising and display booths where appropriate.

An ongoing public relations effort including speeches to chambers of commerce and other business organizations, groups of elected officials, labor organizations and others will help to ensure that the state is responsive to the employer/employee community.

B. Use of the State 40 Percent Funds

1. Retraining Services:

- a. The priority for expenditure of the 40 per cent funds will be for response to SSA's in need of additional funds because of increased numbers of dislocated workers as a result of plant closings or mass layoffs. However, substate areas may request 40 per cent funds at any time during the program year. This amount will be tracked separately for evaluation purposes.

If, by January 1 of the program year, such dislocations have not necessitated the obligation of 75 per cent of the state's 40 per cent reserve funds, a portion of the remaining balance will be distributed to substate grantees based on:

- a solicitation of substate areas which are meeting needs and expenditure rates;
 - a distribution formula based on employment dislocation in specific industries or areas of the state.
- b. Forty per cent State Funds may also be used to provide retraining services through statewide, industry and regional programs including (but not limited to) those activities in Section 314(d) of the Act.

The following retraining services as specified by State Policy, will be made available provided to dislocated workers throughout the state of Texas.

- a. Basic and Remedial Education
- b. Literacy and English for non-English Speakers
- c. On-the-Job Training
- d. Vocational-Occupational Skills Training
- e. Customized Training
- f. Out-of-Area Job Search
- g. Relocation
- h. Entrepreneurial Training
- i. Work Experience (allowed under atypical circumstances with state approval)

A full description of training services is described in each substate area plan developed using the PY90 Planning Guidelines prepared by Commerce.

2. Coordination with the Unemployment Compensation System:

An agreement will be established between Commerce and the Texas Employment Commission utilizing the Unemployment Insurance system to identify and refer dislocated workers to both programs. Funds allocated to the state under Section 302 will be used for this purpose, consistent with the limitation on administrative expenses in Section 315.

This agreement will include:

- Designation of a staff person for liaison with EDWAA and to serve on the Interagency Worker Dislocation Task Force;
- Reciprocal sharing of information regarding layoffs and plant closings;
- Mutual cooperation with all service providers to effect a coordinated delivery of services.

Local level coordination procedures for EDWAA and the UI system will be effected as discussed in section II.A.2, p. 4-7.

3. Discretionary Allocations to Areas Based on Need:

The state's 40 per cent reserve funds will be made available for basic readjustment and retraining services to areas experiencing substantial increases in the number of dislocated workers. A substate area may request funds in such events. Such funds will be expended in accordance with the substate plan or modification thereof. The funding decision will be determined by the DWU and reported to the Governor and the State Job Training Coordinating Council.

4. Incentives to Provide Training of Greater Duration:

In regard to the shift in focus under EDWAA, substate areas are strongly encourages to provide longer term training to Title III/EDWAA participants. Substate areas are encouraged to carry over participants to the next program year in order to complete retraining and may apply for additional 40 per cent funds as needed for training of greater duration.

Funds will not be set aside to provide monetary incentives for long-term training during PY90 – PY91. However, both performance and the extent to which a substate grantee has made commitments to long-term training will be taken into consideration in granting statewide, deobligated, and carryover funds.

5. Needs-Related Payments:

No more than 25 per cent of the funds expended from the state's 40 per cent reserve will be used to provide needs-related payments and other supportive services. Needs-related payments shall be provided in accordance with Section 631.20 of the regulations.

6. Opportunity to Comment by Appropriate Organizations:

Where a labor organization represents a substantial number of employees who are engaged in similar work or training in the same area as that proposed under a state or substate plan, an opportunity will be provided for such organizations to submit comments with respect to the plan or proposal. A summary of the state Title III/EDWAA Plan will be published in the Texas Register for the purpose of comment. Substate grantees will also be required to publish locally a summary of their plans. In the event that a program proposes to provide services to a substantial number of members of a labor organization, the labor organization will be notified in writing and fully consulted prior to the delivery of services.

IV. ASSURANCES

The state of Texas assures that:

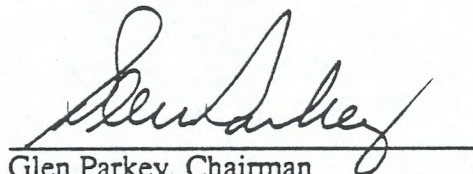
- A. It will comply with the statutory and regulatory requirements of the Economic Dislocation and Worker Adjustment Assistance Act (EDWAA) amendments to Title III of the Job Training Partnership Act (ITPA).
- B. Services will not be denied to eligible dislocated workers as required in Section 311 (b) (1) (B) of the Job Training Partnership Act.
- C. Services will not be denied to eligible dislocated workers regardless of the state of residence of such workers as required by Section 311 (b) (1) (C) of the Job Training Partnership Act.
- D. Services to displaced homemakers will not adversely affect the delivery of services to eligible dislocated workers and that services are provided in conjunction with on-going programs for all dislocated workers.
- E. Delivery of Title III services to a substantial number of members of a labor organization will be implemented only after full consultation with such labor organization as required by Section 311 (b) (7) of the Job Training Partnership Act.
- F. Pursuant to Section 106 (e) of the Act, performance standards prescribed under this title will not be inconsistent with the parameters annually set by the Secretary of Labor and they shall be applied in accordance with Section 311 (a) of the Act regarding incentives for long-term training.

V. GENERAL ADMINISTRATIVE INFORMATION

A. Signature

Texas State Job Training Coordinating Council

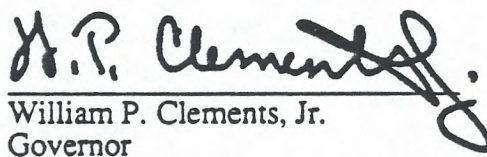
As evident by the chairman's signature below, the Texas State Job Training Coordinating Council has reviewed and concurs with the contents of the Texas PY90-91 Title III (EDWAA) State Plan and recommends to the Governor that it be approved as submitted.


Glen Parkey, Chairman
Texas State Job Training
Coordinating Council

4-24-90
Date

Governor of Texas

In accordance with the recommendation of the Texas State Job Training Coordinating Council, the Governor of Texas hereby accepts and submits the Texas PY90-91 Title III (EDWAA) State Plan to the Secretary of Labor for review and approval.


William P. Clements, Jr.
Governor
State of Texas

05/01/90
Date

Address of Federal Authority

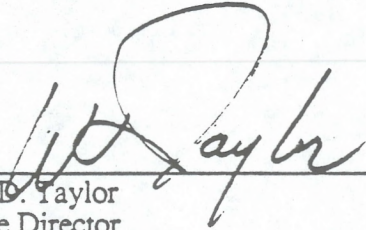
Three copies of Texas PY90-91 Title III (EDWAA) State Plan will be submitted to the following federal official:

Administrator
Office of Job Training Programs
United States Department of Labor
Employment and Training Administration (ETA)
Room N-4459
200 Constitution Avenue, NW
Washington, D. C. 20210

B. Signature

Texas Department of Commerce

As evident by the Executive Director's signature below, the JTPA State administering agency ensures that the Title III program will be administered in accordance with the proposed PY90-91 Title III (EDWAA) State Plan.



William B. Taylor
Executive Director
Texas Department of Commerce

4/28/90

Date

As required, one copy of the Plan will be submitted to the United States Department of Labor (ETA) regional office via the address below:

Floyd E. Edwards, Regional Administrator
for Employment and Training
United States Department of Labor
Employment and Training Administration
525 Griffin Street
Room 317
Dallas, Texas 75202

ATTACHMENT A

TEXAS DEPARTMENT
OF COMMERCE

TEXAS EMPLOYMENT
COMMISSION

INTERAGENCY AGREEMENT

The Interagency Agreement (hereinafter referred to as Agreement) is mutually entered into by the Texas Department of Commerce (Commerce) and the Texas Employment Commission (TEC) and both agencies herein are mutually bound by the terms and conditions of this Agreement.

Ongoing exchange relationships between the local EDWAA service provider and the local TEC office must be defined in a written agreement, financial and/or non-financial, negotiated between the parties and renewed annually. Regardless of physical arrangement and delineation of responsibilities, however, the two systems will exchange information and use the resources of all programs and statutory amendments for the maximum benefit of the client.

The mutual responsibilities and obligations of Commerce and TEC under this agreement shall be to:

- A. provide a coordinated public education/information, training and delivery of services system to workers and employers affected by the provisions of the:
 - 1. Omnibus Trade and Competitiveness Act (OCTA) of 1988, Public Law 100-418
 - a. Trade Adjustment Assistance (TAA) program;
 - b. Economic Dislocation and Workers Adjustment Assistance (EDWAA) program;
 - 2. Worker Adjustment and Retraining Notification Act (WARN);
 - 3. Unemployment Insurance program; and
 - 4. Employment Services program.(herein referred to as "program and statutory amendments")
- B. establish a coordinated system for the ongoing and on-request exchange of information and/or data related to the training and delivery of services to workers and employers affected by the aforementioned programs and statutory amendments.
- C. designate specific staff to ensure the coordinated training and delivery of services system to workers and employers affected by the aforementioned programs and statutory amendments.

Commerce and TEC enter into this Agreement in good faith and will engage in joint planning and implementation for the delivery of services in accordance with the aforementioned programs and statutory amendments. Exact details of cooperation and coordination in oversight of this Agreement will be defined through ongoing staff discussions and implementation plans.

The specific terms of this Agreement and the various responsibilities of TEC and Commerce are set forth in Attachment A, attached hereto and incorporated herein by reference.

This is a non-financial agreement defining the intent of both agencies. Specific activities are subject to available resources and may involve subsequent financial agreements.

The factual disputes reaching impasse will be referred to the chief executive officers of Commerce and TEC for resolution. Questions of law will be referred to the TEC Office of General Counsel and Commerce Legal Division with the opportunity for input by designated agency program personnel.

This Agreement shall continue in effect between July 1, 1990 and June 30, 1992, and thereafter until the expiration of any of the aforementioned programs and/or statutory amendments. Ninety days prior to the annual expiration of this Agreement, it will be reviewed jointly and a mutual determination reached on whether this Agreement should be amended or terminated. This Agreement can be amended or terminated at any time by Commerce or TEC with written notice to the Chief Executive Office of each respective agency.

No property, fiduciary, or other legal rights shall accrue or otherwise develop by or from either Commerce or TEC by entering into this Agreement. In addition, no legal right shall be denied nor management of grant activity be ceased by entering in this Agreement by either agency, except as provided by law or specific contract agreement.

This Agreement is hereby agreed to, approved, and executed this _____ day, of _____, 1990 by the undersigned, authorized representatives of the Texas Department of Commerce and Texas Employment Commission.

William D. Taylor
Executive Director
Texas Department of Commerce

William D. Grossenbacher
Administrator
Texas Employment Commission

Attachment A

- I. The mutual obligations of the Texas Department of Commerce (Commerce) and the Texas Employment Commission (TEC) under this Agreement are to:
 - A. provide public information to educate workers, employers and the general public on the provisions of the Omnibus Trade and Competitiveness Act (OTCA) of 1988, Trade Adjustment Assistance (TAA) Amendments; Economic Dislocation and Worker Adjustment Assistance (EDWAA) program; and on provisions of the Worker Adjustment and Retraining Notification Act (WARN).
 - B. provide joint training and technical assistance concerning the above programs for staff of Commerce, TEC, substate areas and other entities involved in the provision of services under these programs.
 - C. share information and work together to facilitate the state's rapid response to substantial layoffs and to plant closings.
 - D. support an Interagency Worker Dislocation Task Force and the continual development of an integrated service delivery system.
 - E. provide information to substate areas' staff and TEC local staff regarding the elements of particularly successful local delivery systems and resolution of problem areas to facilitate the continued development of a superior integrated service delivery system.
- II. The obligations of the Texas Department of Commerce under this Agreement are to:
 - A. notify TEC upon receipt of a notice of layoff or plant closure.
 - B. direct the substate areas to:
 1. cooperate with TEC to effect a coordinated delivery of services to trade affected and other dislocated workers.

2. work with TEC to maximize the use of both EDWAA and TAA training funds to assist trade affected and other dislocated workers to return to work in equivalent or better employment as quickly as possible.
3. provide information to appropriate dislocated workers in regard to the TAA program including an explanation of benefits and services available through the program, the eligibility criteria and the process for application.
4. when TAA funds have been exhausted, to provide EDWAA funds to finance training of trade affected workers pursuant to cooperative planning for use of training funds.
5. in the case of TAA-approved training funded by EDWAA, facilitate the following actions in order for the trade affected worker to be paid Trade Readjustment Allowances:
 - a. verification of adherence to training approval as per 20 CFR 617.22;
 - b. certification that training does not require an individual worker to pay a fee or tuition;
 - c. certification that training does not exceed 104 weeks (2 years);
 - d. weekly verification to local TEC offices that all workers in approved training are 1) making satisfactory academic progress and 2) have satisfactory attendance for each week claimed for Unemployment or Trade Readjustment Allowances;
 - e. provision of a sample signature of the responsible individual from the training institution to verify attendance and academic progress;
 - f. provision of current academic calendars including holiday and break schedules from the institution; and
 - g. provide timely, detailed information on changes to individual training programs, i.e., early completions, terminations, drops, delayed entry.
6. on an as needed basis, and upon eligibility certification, provide support services via TAA-EDWAA individual shared cost plan to trade affected workers in TAA funded training programs.
7. provide follow-up information including employment status, employer, date employed, wage and occupation for trade affected workers through the use of EDWAA funds.

III. The obligations of the Texas Employment Commission under this Agreement are to:

- A. notify Commerce upon receipt of a notice of layoff or plant closure.
- B. determine, upon notice of layoff or plant closure, if there was the possibility that the firm was adversely affected by foreign imports and, if so, advise the firm and/or worker group to file a petition for TAA.
- C. provide labor market information for substate areas.
- D. serve as a member of the state's Interagency Worker Dislocation Task Force.
- E. utilize information within the Unemployment Insurance and Employment Service systems to identify potential layoff/plant closing situations and to take the appropriate action to coordinate services with employers, EDWAA and TAA programs.
- F. cooperate with all EDWAA service providers to:
 - 1. effect a coordinated delivery of services to trade affected and other dislocated workers.
 - 2. work jointly with the substate area to maximize the use of both EDWAA and TAA training funds to assist trade affected and other dislocated workers to return to work in equivalent or better employment as quickly as possible.
 - 3. provide information regarding EDWAA to potentially eligible workers including the benefits and services available through the program, the eligibility criteria and the process for application.
 - 4. provide information to the substate area regarding TAA certification and denial activity.
 - 5. provide TAA funded training for dislocated workers served through EDWAA who are also trade affected workers, pursuant to cooperative planning for use of training funds.
 - 6. provide information to the EDWAA service provider regarding EDWAA participants who are enrolled in TAA training.

7. provide weekly Trade Readjustment Allowances (TRA) to trade affected workers enrolled in EDWAA funded training upon receipt of proper documentation from the EDWAA service provider.
8. assist in determining the EDWAA applicant's eligibility by providing information, with the written authority of an unemployment insurance claimant, regarding the individual's unemployment insurance claim.
9. provide information on a claimant's benefit amount and the dates of receipt for the purpose of determining needs-related payments which may be paid under EDWAA.
10. provide follow-up information including employment status, employer, date employed, wage and occupation for EDWAA participants training through use of TAA funds.
11. work with Commerce and/or substate areas to identify, through the Unemployment Insurance system, workers eligible for EDWAA services and to make information regarding these services available to them.