

1 **Fiscal Year 2025 Planning Estimates for Apprenticeship Training Programs**
2 **Discussion Paper**

3 **Background**

4 Texas Education Code (TEC) §133.006 requires that the Texas Workforce Commission (TWC)
5 adopt forms, formulas, and administrative procedures for distributing available funds to
6 apprenticeship training programs. Additionally, TWC Apprenticeship Training Program rule
7 §837.21, 40 Texas Administrative Code (TAC) §837.21, states that after TWC receives
8 recommendations from the Texas Workforce Investment Council (TWIC), TWC is required to
9 provide public notice of the amount of funds that will be available to support apprenticeship
10 training programs.

11 In February 2024, TWIC made the following recommendations to TWC regarding Fiscal Year
12 2025 (FY'25) funding for apprenticeship training programs:

- 13 • A contact-hour rate not to exceed \$4.25
- 14 • A 5 percent reserve fund for new programs or established programs not currently receiving
15 funds
- 16 • A rate not to exceed \$2,000 per participant in pre-apprenticeship training programs

17 TWC estimates that under Chapter 133, a total of \$4,807,247—which includes \$3,657,247 in
18 General Revenue, \$1,000,000 in Workforce Innovation and Opportunity Act Statewide (WIOA
19 SW), and \$150,000 in Temporary Assistance for Needy Families Non-Custodial Parent (TANF-
20 NCP) funds—will be available for Registered Apprenticeship training programs, pending
21 approval of the FY'25 operating budget.

22 In addition to the funding for Registered Apprenticeship training programs, TWC also estimates
23 that under Chapter 133, a total of \$3,690,527 in General Revenue will be available for pre-
24 apprenticeship training programs, pending approval of the FY'25 operating budget.

25 Under TAC §837.25, funds for apprenticeship training classes are distributed based on the
26 following types of instruction, listed in order of priority, unless otherwise determined by the
27 Commission:

- 28 1. Related instruction or apprenticeship
- 29 2. Supplementary instruction or journey worker experience
- 30 3. Preparatory instruction or pre-apprenticeship training

31 **Decision Point**

32 Staff seeks direction on the following:

- 33 • An FY'25 contact-hour rate not to exceed \$4.25 for apprenticeship training programs
- 34 • A 5 percent reserve of planning estimate funds for new or established Registered
35 Apprenticeship training programs that did not receive Chapter 133 funds in FY'24
- 36 • A rate not to exceed \$2,000 per participant in pre-apprenticeship training programs
- 37 • A planning estimate of \$3,657,247 in General Revenue; \$1,000,000 in WIOA SW; and
38 \$150,000 in TANF-NCP funds for FY'25 Registered Apprenticeship funds, contingent on
39 adoption of TWC's FY'25 operating budget
- 40 • A planning estimate of \$3,690,527 in General Revenue for FY '25 Pre-Apprenticeship funds,
41 contingent on adoption of TWC's FY '25 operating budget