

1                   **Fiscal Year 2022 Planning Estimates for Apprenticeship Training Programs**  
2                                           **Discussion Paper**

3   **Background**

4 Texas Education Code (TEC) §133.006 requires the Texas Workforce Commission (TWC) to  
5 adopt forms, formulas, and administrative procedures for distributing available funds to  
6 apprenticeship training programs. Additionally, TWC Chapter 837 Apprenticeship Training  
7 Program rule §837.21 states that after TWC receives recommendations from the Texas  
8 Workforce Investment Council (TWIC), TWC is required to provide public notice of the amount  
9 of funds that will be available to support apprenticeship training programs.

10 In March 2021, TWIC made the following recommendations to TWC regarding Fiscal Year  
11 2022 (FY'22) funding for apprenticeship training programs:

- 12     • A contact-hour rate not to exceed \$4.25  
13     • A 5 percent reserve fund for new programs or established programs not currently receiving  
14       funds

15   **Issue**

16 TWC estimates that under Chapter 133, a total of \$5,382,785 (which includes \$3,732,785 in  
17 General Revenue and \$1,650,000 in Workforce Innovation and Opportunity Act (WIOA) funds)  
18 will be available for Registered Apprenticeship training programs, pending approval of the  
19 FY'22 operating budget.

20 Under §837.25, funds for apprenticeship training classes are distributed based on the following  
21 types of instruction, listed in order of priority, unless otherwise determined by TWC's three-  
22 member Commission:

- 23     1. Related instruction or apprenticeship  
24     2. Supplementary instruction or journeyworker experience  
25     3. Preparatory instruction or pre-apprenticeship training

26   **Decision Point**

27 Staff seeks direction on the following:

- 28     • A planning estimate of \$3,732,785 in General Revenue and \$1,650,000 in WIOA funds for  
29       FY'22 Registered Apprenticeship funds, contingent on adoption of TWC's FY'22 operating  
30       budget  
31     • An FY'22 contact-hour rate not to exceed \$4.25  
32     • A 5 percent reserve of planning estimate funds for new or established Registered  
33       Apprenticeship training programs that did not receive Chapter 133 funds in FY'21