

1 **Fiscal Year 2024 Apprenticeship Training Programs**
2 **Final Contact Hour Rate**
3 **Discussion Paper**

4 **Background**

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

11 At its April 25, 2023, meeting, TWC’s three-member Commission (Commission) provided
12 public notice of funds available for the TEC Chapter 133 Apprenticeship Training Programs and
13 accepted the TWIC recommendations for Fiscal Year 2024 (FY’24).

14 **Issue**

15 Given the growth in the number of apprentices served through the Apprenticeship Training
16 Program, the final contact hour rate (CHR) for entities awarded FY’24 Apprenticeship Training
17 Program contracts is approximately \$2.80 per hour. At the January 30, 2024, meeting,
18 Commissioner Alberto Treviño directed staff to explore options to bring the CHR to a level
19 consistent with the final CHR of previous fiscal years—\$4.00.

20 **Decision Point**

21 Staff propose the following options:

- 22 • stay with current funding for a CHR of approximately \$2.80;
- 23 • add \$650,000 Workforce Innovation and Opportunity Act (WIOA) Statewide funds for a
24 CHR of approximately \$3.17; or
- 25 • add \$650,000 WIOA Statewide funds plus approximately \$1,500,000 State Apprenticeship
26 Expansion 2020 federal grant funds for a CHR of \$4.00.