

**Texas Education Code Chapter 133 Apprenticeship Training Programs**  
**Fiscal Year 2026 Planning Estimates**  
**Discussion Paper**

**Background**

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

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

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

**Issues**

In March 2025, TWIC made the following recommendations to TWC regarding Fiscal Year 2026 (FY 2026) funding for apprenticeship training programs:

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

TWC continues to monitor the General Appropriations Act of the 89<sup>th</sup> Texas Legislature, [Senate Bill \(SB\) 1](#), as passed by the House. The current version of the bill indicates the following funding for Chapter 133 Apprenticeship Training Programs:

- a base amount of \$4,295,833 General Revenue (GR);
- an additional \$5,267,215 GR as part of an Exceptional Item request; and
- an additional \$3,500,000 as detailed in Rider 53.

The final GR amount is contingent upon final passage and enrollment of SB 1 and Commission approval of the FY 2026 operating budget.

In addition to the funding for Registered Apprenticeship training programs, TWC also estimates that under Chapter 133, a total of \$2,753,027 in GR will be available for pre-apprenticeship training programs, pending approval of the FY 2026 budget.

**Decision Points**

Staff recommend the following:

- An FY 2026 contact hour rate not to exceed \$4.25
- A 5 percent reserve of planning estimate funds for new or established Registered Apprenticeship training programs that did not receive Chapter 133 funds in FY 2025
- A rate not to exceed \$2,000 per participant in pre-apprenticeship training programs
- A notice of GR funding as described above for FY 2026 Registered Apprenticeship Training Programs, contingent on passage and enrollment of SB 1 and adoption of TWC's FY 2026 operating budget
- A planning estimate of \$2,753,027 in GR for FY 2026 pre-apprenticeship funds, contingent on adoption of TWC's FY 2026 operating budget