

Cross-Agency Coordination on Apprenticeship and Work-Based Learning Funding Report

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Executive Summary

Pursuant to Rider 50, this report identifies available funding sources that may be coordinated and streamlined across the Texas Workforce Commission (TWC), the Texas Education Agency (TEA), and the Texas Higher Education Coordinating Board (THECB) to increase the availability and accessibility of apprenticeships and work-based learning (WBL) programs.

This report provides an update on the number of programs and participants, outlines programs supported by multiple funding sources, reviews cross-agency grant-making policies, and offers recommendations to overcome existing administrative barriers.

I. Number and Types of Apprenticeships and WBL Programs

An apprenticeship is an industry-driven, high-quality career pathway that helps employers develop and prepare their future workforce. According to the U.S. Department of Labor (DOL), a formal Registered Apprenticeship Program (RAP) must contain the following five core components:

- **Paid Job**—Apprentices are paid employees from day one and receive progressive wage increases as their skills and productivity increase.
- **On-the-Job Learning**—Programs provide structured, hands-on training under the mentorship of experienced workers.
- **Classroom Instruction**—Apprentices receive technical, education-related instruction tailored to the job, which can be delivered online, at a school, or at the work site.
- **Mentorship**—One-on-one support from an experienced journeyworker is provided to guide the apprentice.
- **Credentials**—Upon completion, graduates earn a portable, nationally recognized credential certifying their proficiency in the occupation.

WBL experiences operate on a continuum with multiple touchpoints for learners. Whether in a K–12, a postsecondary, or a workplace setting, WBL offers the following:

- **Career Exploration**—Job shadowing, simulations, and informational interviews with employers
- **Career Preparation**—Internships, pre-apprenticeships, cooperative education, and service learning
- **Career Training**—Apprenticeships, on-the-job training, and transitional jobs

Apprenticeship and WBL models continue to be highly effective workforce solutions. Based on Program Year 2026 (PY 2026)¹ data, Texas currently supports:

- **1,015 active apprenticeship programs**, spanning 47 industry subsectors; and
- **43,377 active apprentices.**

Year-over-Year Growth

The state has seen the following increases compared to PY 2025:

- **Program Growth:** The number of active apprenticeship programs increased from 961 in PY 2025 to 1,015 in PY 2026, reflecting a 5.6 percent growth.
- **Participant Growth:** The number of active apprentices increased from 35,585 in PY 2025 to 43,377 in PY 2026, an addition of 7,792 apprentices (a 21.9 percent increase).
- **Industry Expansion:** The apprenticeship landscape is heavily anchored by Specialty Trade Contractors (19,263 apprentices), Educational Services

¹ A Program Year runs from May 1 through April 30.

(6,001 apprentices), and Heavy and Civil Engineering Construction (5,853 apprentices). These sectors account for over two-thirds of all apprentices in the state and have shown remarkable year-over-year growth (such as a 53.6 percent increase in Heavy and Civil Engineering Construction).

The table below provides numbers of apprentices and WBL participants for Fiscal Years 2024–2025 (FY 2024–2025).² The data in the table below is limited to TWC-funded apprenticeship and WBL programs in which participant numbers are reported per grant or program requirements.

Table 1: Number of WBL Participants

Initiative	Number of Participants FY 2024	Number of Participants FY 2025
Critical Skills Apprenticeship ³	459	173
Healthcare Apprenticeship ⁴	0	328
Pre-Apprenticeship	663	899
Texas Education Code (TEC) Chapter 133, Related Instruction	9,246	11,496
Explore Apprenticeship 2.0 ⁵	0	13
Externships for Teachers	867	1,668
Building and Construction Trades ⁶	208	285
High-Demand Job Training ⁷	514	N/A
Skills Development Fund	4,208	10,789
Texas Industry Partnership Program ⁸	200	N/A
Governor’s Summer Merit Program	1,728	1,874
Camp Code	1,325	1,234
Texas Internship Initiative	28	53

² A Fiscal Year runs from September 1 through August 31.

³ Decrease from FY 2024 to FY 2025 due to decrease in number of applications and awards.

⁴ FY 2024 number due to new DOL approval for new RN Registered Apprenticeship; FY 2025 numbers reflect target, actual completion not yet available.

⁵ In FY 2024, contracts were being renegotiated and/or renewed for Explore Apprenticeship 2.0, so services were not available during this time.

⁶ Numbers reflect target, actual enrollment not yet available.

⁷ Data not yet available for FY 2025.

⁸ Data not yet available for FY 2025.

Skills Training to Employment (STEP) ⁹	105	162
Project SEARCH	191	228
TXWORKS	121	273

II. Programs Supported by Multiple Funding Sources

The table below shows apprenticeship and WBL programs that are supported by more than one funding source.

Table 2: Programs Supported by More than One Funding Source

Initiative	Funding Sources
Critical Skills Apprenticeship	• DOL Apprenticeship Expansion Grant • Workforce Innovation and Opportunity Act (WIOA)
Explore Apprenticeship 2.0	• Federal Grant ALN 84.126 • Federal Social Security Administration/Vocational Rehabilitation (SSA/VR) • State General Revenue
Healthcare Apprenticeship	• DOL Apprenticeship Expansion Grant • WIOA
TEC Chapter 133, Related Instruction	• DOL Apprenticeship Expansion Grant • State General Revenue • Temporary Assistance for Needy Families (TANF) • WIOA
Pathways in Technology Early College High School (P-TECH)	• Foundation School Program (FSP) • State General Revenue • WIOA
Project SEARCH	• Federal Grant CFDA 84.126 • SSA/VR • State General Revenue
Skills Training to Employment (STEP)	• Federal Grant CFDA 84.126 • SSA/VR • State General Revenue

⁹ STEP data is cumulative. Numbers show participants since the 2022 launch.

Summer Earn and Learn (SEAL)	• Federal Grant CFDA 84.126 • SSA/VR • State General Revenue
Texas Internship Challenge	• WIOA • State General Revenue (TXWORKS Postsecondary)

III. Available Funding Sources

The Tri-Agency has identified the following available funding sources that may be coordinated to support apprenticeships and WBL programs.

Table 3: Available Funding Sources to Support Apprenticeship and WBL Programs

Funding Source	Federal or State	Notes
Adult Education and Family Literacy Act	Federal	Adult Education & Literacy Program - Texas Workforce Commission —To help adults get the basic skills they need, including reading, writing, math, English language proficiency, and problem solving, to be productive workers, family members, and citizens
Child Care and Development Fund (CCDF)	Federal	Child Care and Development Fund (CCDF) Resource Guide The Administration for Children and Families (hhs.gov) and Child Care & Early Learning Program - Texas Workforce Commission —To provide financial assistance to low-income families to access childcare and to improve the quality of childcare programs
DOL Apprenticeship Expansion Grant	Federal	Active Grants and Contracts Apprenticeship.gov Apprenticeship Program - Texas Workforce Commission —To create or expand RAPs
Dual Credit Grant	State	Dual Credit Programs —Supports the purchase, repair, or replacement of equipment to support new or existing Dual Credit career and technical education (CTE) programs. Schools are required to focus on work-based learning, mentoring, and internships.

Funding Source	Federal or State	Notes
Employment and Training Administration (ETA) Grant	Federal	Grants U.S. Department of Labor (dol.gov) —To address critical workforce needs and, in some cases, economic downturns
Federal Assistance Listing Number 84.126	Federal	State Vocational Rehabilitation Services Program Rehabilitation Services Administration (ed.gov) and Vocational Rehabilitation Program - Texas Workforce Commission —To serve individuals determined eligible for the VR program
Federal Social Security Administration/Vocational Rehabilitation (SSA/VR)	Federal	Vocational Rehabilitation Cost Reimbursement Program The Work Site SSA and Vocational Rehabilitation Program - Texas Workforce Commission —To assist individuals with disabilities to go to work
General Revenue	State	Appropriated Funds/General Revenue Accounts Texas Comptroller Manual of Accounts Fiscal 2024 (state.tx.us) —To carry out activities and meet objectives specified in legislative acts
Jobs and Education for Texans (JET) Grant Program	State	Jobs & Education for Texans (JET) Grant Program - Texas Workforce Commission —To purchase and install equipment necessary for the development of career and technical education (CTE) courses or programs that lead to a license, certificate, certification, or postsecondary degree in high-demand occupations
Lone Star Workforce of the Future Grant	State	Lone Star Workforce of the Future Fund —To support workforce training programs for entry to mid-level jobs in high-demand occupations
Self-Sufficiency Fund Program	State	Self Sufficiency Fund Program - Texas Workforce Commission —To help individuals obtain industry recognized credentials
Skills Development Fund	State	Skills Development Fund - Texas Workforce Commission —To train new workers or upgrade the skills of existing workers
Strengthening Career and Technical Education for the 21st Century Act (Perkins V)	Federal	Perkins V (ed.gov) , Perkins V Texas Education Agency , and Carl D. Perkins Career & Technical Education - Texas Higher Education Coordinating Board — To develop more fully the academic knowledge and technical and employment skills of

Funding Source	Federal or State	Notes
		secondary and postsecondary students enrolled in career and technical education (CTE) programs of study
Temporary Assistance for Needy Families (TANF)	Federal	Temporary Assistance for Needy Families (TANF) The Administration for Children and Families (hhs.gov) and Choices Program - Texas Workforce Commission —To help low-income families with children achieve economic self-sufficiency
Workforce Innovation and Opportunity Act (WIOA)	Federal	Workforce Innovation and Opportunity Act U.S. Department of Labor (dol.gov) and Workforce Innovation & Opportunity Act (WIOA) Program - Texas Workforce Commission —To provide career and training services to job seekers, including job search assistance, workforce preparation, and career development services, and to help businesses find the skilled workers they need. WIOA includes the following five titles: • Title I – Workforce Development Activities • Title II – AEL Services • Title III – Wagner-Peyser Act Employment Services • Title IV – Vocational Rehabilitation Services • Title V – General Provisions

IV. Cross-Agency Grant-Making Policies, Practices, and Progress

[Texas Government Code § 2308A.0115](#) charged the Tri-Agency to:

- reduce duplication across competitive career and technical education (CTE) grant programs by considering the current structure of CTE grant funding and considering dual pathways, credentials of value, and state workforce needs in high-demand fields;
- consider collectively providing comprehensive funding for CTE program development and delivery; and
- align two or more competitive grants in support of these goals.

A Grant Alignment Working Group was established to craft recommendations that leverage existing Tri-Agency work and meet the requirements of SB 1786. Below are examples of grant alignment activities that support apprenticeship and WBL.

The **THECB's Texas Reskilling and Upskilling through Education (TRUE) Grant and the Texas Invests in Meaningful Employment (TIME) Grant** are examples of maximizing the impact of grant coordination. The TRUE Grant was modified in 2025–2027 by giving bonus points for JET (TWC) grantees to operationalize the JET-funded equipment. The Texas Invests in Meaningful Employment (TIME) Grant funds two-year public higher education institutions that have been awarded JET Grants in either 2025, 2026, or 2027. TIME funds the implementation and start-up operations of specific JET-funded short-duration, industry-aligned CTE certificate programs in high-demand occupations that reflect local and regional needs.

The **CTE Grant Program Sequencing Pilot** is designed to help regions navigate the landscape of Tri-Agency funding opportunities by identifying logical sequences of grants that can strengthen and scale high-quality career pathways. These recommendations are intended to support planning and coherence; however, they do not guarantee selection or award. Final determinations remain with each agency's formal grant application and review process.

The **Texas Regional Pathways Network (TRPN)** will offer region-specific guidance on which grants may be most strategically aligned to local priorities and readiness. Part of the TRPN's core functions include aligning high-quality WBL opportunities with labor market demand; engaging employers to supply internships, apprenticeships, and job-shadowing; and implementing the Tri-Agency WBL Framework.

In 2026, the Tri-Agency began participating in a **WBL and Registered Apprenticeship Community of Practice**, which brought together representatives from state education agencies, workforce agencies, apprenticeship offices, higher education systems, and technical assistance partners to begin developing a statewide vision and goals related to paid WBL systems and registered apprenticeship alignment.

V. Barriers to Coordination

The Tri-Agency Workforce Initiative has made significant strides in expanding and streamlining apprenticeship and WBL. Despite progress, deep-seated statutory and technological barriers prevent full financial integration and seamless joint administration of grants across TWC, TEA, and THECB.

1. Legislative and Statute-Driven Mandates

The methodology used by each of the Tri-Agency partners to develop, award, and manage grants is a comprehensive, multistep process strictly governed by separate state and federal statutes. TWC operates under the Texas Labor Code

and federal labor laws, while TEA and THECB are governed by the TEC and federal education laws. Because of these distinct legislative origins, there are varying rules regarding which entities are eligible to apply, which activities constitute "allowable costs," and which target populations can be served.

2. **Incompatible Performance and Accountability Metrics**

Combining state and federal funding streams into a single "braided" pool is legally complex because each source carries its own strict performance, accountability, and auditing requirements. For example, the focus of WIOA is on rapid labor market entry, credential attainment, and earnings retention, while Perkins V emphasizes academic proficiency, secondary-to-postsecondary transitions, and career cluster alignment. A combined grant program requires navigating these contradictory state and federal compliance reporting guidelines to prevent audit findings or duplicative oversight.

3. **Siloed and Segmented Networks**

The three agencies operate on distinct IT infrastructures that were historically designed to prevent unauthorized external access.

4. **Lack of Shared Document and Workflow Systems**

Because the three agency IT networks do not communicate, Tri-Agency staff cannot leverage shared workflows or engage in real-time document creation. Key processes—such as collaboratively drafting Requests for Applications, sharing grant performance updates, managing scoring rubrics, or establishing unified timelines—must be performed asynchronously.

5. **Absence of Unified Tracking and Reporting Portals**

There is no single portal or database where TWC, TEA, and THECB can collectively track grant awards, monitor real-time recipient performance, or compile shared outcomes. Each agency manages its own reporting system, requiring manual data reconciliation and creating an administrative hurdle when attempting to track participants across the WBL continuum.

VI. Recommendations

Although the complex barriers noted above may take time and possibly legislative changes to fully implement, there are intentional actions within the Tri-Agency purview that will benefit apprenticeship and WBL opportunities.

Collecting and tracking outcomes data of secondary and postsecondary CTE programs will help to assess the impact of apprenticeship and WBL programs. The Tri-Agency can build this knowledge base by mapping state geographic grant distribution to identify trends and gaps in funding and establishing protocols for ongoing data collection.

The Tri-Agency can capitalize on its partnership and increase WBL funding in Texas through the **submission of joint grants**. These funding opportunities often require time to go through each agency's review and approval process. Many federal grants give preference to consortia; therefore, having stock language, letters of support, and other grant documents that are prepared and preapproved ahead of time can position the Tri-Agency as a competitive applicant.

Outreach, promotion, and capacity-building support to employers, community colleges, school districts, Local Workforce Development Boards, and other stakeholders is essential to apprenticeship and WBL success. The Tri-Agency can provide useful data, toolkits, centralized online resources, and technical assistance.

The Tri-Agency partnership can strengthen its impact through **regular, strategic communication and coordination**. This collaborative approach will position Texas as a leader in apprenticeship and WBL and contribute to an efficient and productive workforce.