Craft

The Definitive Guide to

Apprenticeship Funding

2026 Edition

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Introduction

Apprenticeships and other work-based training programs are proven strategies for building a skilled workforce. Today, there are more funding avenues than ever to support these programs — from federal grants and formula funds to state-specific incentives. This guide provides an in-depth look at how training providers and workforce professionals can fund apprenticeships and on-the-job training (OJT) programs, including key funding sources, eligibility and reporting requirements, and recent updates. We distinguish between Registered Apprenticeships (RAs) and other models (youth apprenticeship, pre-apprenticeship, incumbent worker training, etc.) and explain how multiple funding streams can be "braided" together to maximize support.

Apprenticeship vs. Other OJT Models

Before diving into funding, it's important to clarify the types of programs:

Registered Apprenticeship (RA)

A formal, structured program registered with the U.S. Department of Labor or a State Apprenticeship Agency. RAs combine paid on-the-job learning with related classroom instruction and lead to a nationally recognized credential. Sponsors (employers or intermediaries) must meet rigorous standards (e.g., progressive wage increases, documented training plans).

Youth Apprenticeship

Typically for high school or college-age individuals (often 16–24). Some youth apprenticeships are registered (integrated with RA) while others may be state-specific programs. They usually involve partnerships between schools and employers to offer part-time work-based learning alongside education.

Pre-Apprenticeship

A program that prepares participants (often youth or adults with barriers) to enter an RA. Pre-apprenticeships provide foundational skills or industry training and often guarantee interviews or direct entry into an RA program. These are generally shorter-term and may not involve paid employment (though some include stipends).

Incumbent Worker Training

Training provided to **existing employees** (incumbent workers) to upgrade their skills or meet new job requirements. Incumbent worker training is usually shorter than an apprenticeship and is often funded through workforce grants to businesses. It does not typically result in a portable credential, but it helps employers improve productivity and helps workers advance. It is important to note that incumbent worker training is conditional and often depends on local funding and availability.

On-the-Job Training (OJT)

Broadly, any training that occurs at the workplace while the employee is performing job tasks. In funding terms, “OJT” often refers to wage reimbursement programs (for example, a Workforce Innovation and Opportunity Act OJT contract that subsidizes a portion of a trainee’s wages for a set period). OJT can be a component of apprenticeships or stand-alone (for a new hire or incumbent worker).

Understanding these models is crucial because **funding sources may target specific populations or training models.** For instance, some funds prioritize out-of-school youth or registered programs, while others support any form of work-based learning. We note these distinctions for each funding source below.

Apprenticeships and OJT

Federal programs form the backbone of apprenticeship and workforce training funding. Major streams include formula funds (allocated to states or institutions) and competitive grants.

Key federal sources include:

Workforce Innovation and Opportunity Act (WIOA) — Adult, Dislocated Worker, Youth

WIOA is the **largest single source of federal workforce funding**, providing formula grants to every state. In Program Year 2023, WIOA Title I programs (Adult, Dislocated Worker, Youth) received a total of **$4.1 billion** in federal funding. For Program Year 2025, WIOA Title I formula grants were funded at roughly $3.2 billion. Local Workforce Development Boards use WIOA funds to serve eligible participants through job search assistance, training, and supportive services. Funding for Program Year 2026 is the subject of major policy debate. As of the writing of this, the presidential budget proposes consolidating these programs, but Congress has not yet enacted a final budget.

Total Dollars Available

In Program Year 2023, the WIOA Adult Activities program was funded at ~$886 million, Youth at ~$948 million, and Dislocated Worker at ~$1.095 billion. These funds translate to thousands of training scholarships and OJT contracts nationwide. Typically, local areas cap Individual Training Accounts (ITAs) at around $3,000–$8,000 per participant, but this varies. WIOA also offers OJT wage reimbursement (often up to **50% of the trainee's wage**, or even 75% for small employers and individuals with barriers) for a defined training period (commonly 3–6 months).

Populations & Eligibility

WIOA Adult: serves jobseekers age 18+, with priority to low-income individuals, recipients of public assistance, and other barriers.

- *WIOA Dislocated Worker:* serves those who lost jobs due to layoffs, plant closures, or similar economic circumstances (no income test, but must meet dislocation criteria).
- *WIOA Youth:* serves disadvantaged youth. **75% of Youth funds must support out-of-school youth (ages 16–24)**, with a focus on disconnected youth, while up to 25% may serve in-school youth (ages 14–21, typically for pre-apprenticeship or summer programs).

Use of Funds (Allowable Activities)

WIOA can fund **tuition and training costs** via ITAs at approved training providers, including community college programs or apprenticeship related instruction. It can also fund **OJT wage subsidies** to employers who hire WIOA participants. For youth, WIOA funds paid work experiences, pre-apprenticeships, and Registered Apprenticeships. WIOA supportive services dollars can cover needs like transportation, tools, or childcare for participants.

Local areas have flexibility to support apprenticeships – for example, paying classroom costs for an apprentice or reimbursing an employer for on-the-job training of a new hire apprentice. WIOA can also support **incumbent worker training** and **customized training** (often with employer match requirements).

Stipulations & Requirements

Participants must meet eligibility and be enrolled through the one-stop career center system. Training providers must be on the state's Eligible Training Provider List (ETPL) to receive ITA funds, which requires reporting outcomes for WIOA-funded students. It is also important to note that some states have exceptions or alternative provider approval paths. **Data reporting is significant** – programs must track employment, earnings, credential attainment, etc., for WIOA participants to meet federal performance measures. Employers receiving OJT or incumbent worker funds often must commit to retaining the worker.

Recent Updates

WIOA (enacted in 2014) remained due for reauthorization throughout 2025 and continued to operate under annual appropriations. The FY2023 Congress boosted WIOA funding by $1.2 billion over the prior year, reflecting post-pandemic workforce needs. No major policy changes took effect in 2025; however, workforce boards placed greater emphasis on apprenticeships as a training strategy.

The U.S. Department of Labor continued to encourage local areas to **braid WIOA funds with apprenticeships**, issuing guidance on how WIOA can pay for apprenticeship-related instruction and support services alongside an employer's on-the-job training commitment. (For example, a WIOA participant can be in a Registered Apprenticeship and receive WIOA support for tuition, while the employer may get a WIOA OJT wage subsidy.) The FY2026 presidential budget proposed consolidating WIOA Adult, Youth, and Dislocated Worker formula grants into a new Make America Skilled Again (MASA) grant program, but Congress has yet to finalize this change. The future of WIOA funding faced significant opposition and was not passed as law at the time of publication.

Applicability

WIOA funds can support **Registered Apprenticeships, pre-apprenticeships, and other OJT** models alike. All three WIOA programs can enroll participants who enter RA or other training. WIOA Youth is especially suited to **youth apprenticeship** or pre-apprenticeship programs (e.g., funding a summer pre-apprenticeship for out-of-school youth, then placing them into an RA). WIOA Adult/Dislocated can support adult apprentices or help employers upskill current workers via incumbent training grants.

Perkins V
Career & Technical Education Funding

The **Strengthening Career and Technical Education for the 21st Century Act**, commonly known as Perkins V, is the federal law providing grants to states for Career and Technical Education (CTE). Perkins is primarily an education funding stream (administered by state education agencies), but it plays a critical role in building the talent pipeline that feeds apprenticeships.

Total Dollars Available

Perkins V provides roughly **$1.2 to $1.44 billion annually** for CTE nationally. For FY2024, the Perkins Basic State Grant was funded at $1.44 billion, which is distributed by formula to states (based on population and income factors). Every state then allocates funds to local school districts and postsecondary institutions (mostly community colleges) to support CTE programs.

While this is a large investment, note that **Perkins funding is not given directly to students**; instead it's directed to the agencies and schools that run CTE programs. (In limited cases, local recipients can use Perkins funds for student benefits like transportation or industry certification exam fees, but direct student aid is not the primary purpose.)

Use of Funds

Perkins can fund a wide range of activities to develop and improve CTE programs. This includes purchasing equipment, updating curriculum, teacher training, support for industry partnerships, and integrating work-based learning. **Work-Based Learning (WBL)** is a big emphasis under Perkins V – states must include how they will expand WBL (including apprenticeships) in their CTE plans.

Many high school programs use Perkins dollars to hire work-based learning coordinators or to develop pre-apprenticeships. At the postsecondary level, community colleges might use Perkins to start new apprenticeship-aligned programs or cover instructional costs for related technical instruction. For example, a college could use Perkins funds to buy simulators for a manufacturing apprenticeship program or pay part of an instructor's salary for an electrical apprenticeship class.

Stipulations & Requirements

States have significant latitude but must adhere to federal requirements such as conducting a Comprehensive Local Needs Assessment (CLNA) to guide spending towards high-demand skills and equitable access. They also report on performance indicators (like CTE concentrator graduation rate, post-program placement, nontraditional enrollment, etc.). Perkins funds supplement state and local education funds – they **cannot be used for general expenses or things like building maintenance**. Programs supported by Perkins must be CTE programs of study that lead to credentials or degrees. In practice, that means Perkins can strengthen the classroom side of apprenticeship pathways (especially in school or college settings), but it **cannot pay wages** of apprentices or OJT costs – those are borne by employers or other funds.

Applicable Populations

Perkins covers **secondary students in CTE programs (high school)** and **postsecondary CTE students** (typically in community/technical colleges, up to associate's degree or certificate level). Many of these students are the same youth or adults who might enter apprenticeships. Special populations (such as individuals with disabilities, economically disadvantaged, single parents, etc.) are a focus for services. Perkins can support **youth apprenticeship** programs when delivered as part of a high school CTE curriculum, or **pre-apprenticeship** training at a community/technical college. It also often funds integration of **dual enrollment** CTE courses (more on dual enrollment below).

Recent Updates

Perkins V remains in effect through 2026 following its reauthorization in 2018. In late 2024 the U.S. Department of Education proposed new rules to standardize state Perkins data and plan requirements, but after public feedback, these proposed requirements were largely rolled back in early 2025. States will continue to follow previous guidance until the next plans are submitted in 2026. While the Biden administration's FY2025 budget request had sought a modest increase to approximately $1.5 billion for Perkins state grants, the Trump administration's FY2026 budget proposes level funding around $1.44 billion, reflecting continued support for CTE but without the earlier proposed increase.

Perkins recipients should note the push for more **workforce-aligned programs** — for example, encouraging high schools to partner with employers on apprenticeships, and colleges to create shorter-term credentials (which could dovetail with apprenticeship related instruction). States can use the Perkins **Reserve fund** (up to 15% of their allocation) for innovative projects, and many have used this to seed new apprenticeship or work-based learning initiatives.

Applicability

Perkins is especially relevant for **school-based and college-based apprenticeship programs**. For instance, a high school youth apprenticeship program might use Perkins dollars to pay a teacher to coordinate on-the-job placements or to fund the classroom training that students receive for technical skills. A community college that is a Related Technical Instruction provider for apprentices can leverage Perkins to improve those courses (curriculum design, instructor costs, instructional equipment). While Perkins won't fund the salary of an apprentice, it significantly offsets program costs for the education partners in an apprenticeship. Training providers should collaborate with their institution's CTE administrators to tap Perkins funds in support of apprenticeship pathways. Permissible use is subject to Perkins plan approval and state rules.

Federal Pell Grants
Title IV Student Aid

Pell Grants are needs-based grants for postsecondary education, and while not designed exclusively for apprenticeships, they are a crucial resource for many apprentices enrolled in college courses. Pell Grants can be used by eligible students to pay tuition, fees, and related education expenses for programs that meet federal requirements.

Total Dollars/Amount

Pell Grants are an entitlement for those who qualify, meaning funding is not capped per state (any eligible student can receive it). The **maximum Pell Grant for the 2024–2025 award year was $7,395** per student, which generally covers two semesters of full-time enrollment. Actual awards depend on the student's financial need and enrollment status (part-time students get a prorated amount). For context, the Pell program disburses on the order of ~$25–30 billion nationally each year to millions of students. For an individual apprentice, Pell could provide up to ~$3,698 per semester (if full Pell) toward their classroom instructional costs.

Eligibility

Pell recipients must be **low-income undergraduate students** without a prior bachelor's degree (with limited exceptions). They must be enrolled in an eligible program – typically a for-credit program at least 600 clock hours or 15 weeks in length, offered by an accredited Title IV institution (college, university, technical school). Many apprentices meet the income criteria (especially younger or career-changing apprentices), but the program eligibility is a sticking point: not all apprenticeship related instruction is Pell-eligible (for example, non-credit courses shorter than 15 weeks usually do not qualify). However, if an apprenticeship's related technical instruction is delivered as part of a certificate or degree program at a community college, that program likely is Pell-eligible, allowing apprentices who are students to receive grants.

Use of Funds

Pell can cover **tuition and fees, textbooks, and required supplies**. In some cases, it can also cover living expenses through a stipend (if tuition is low and the student has remaining Pell funds, they receive the balance for living costs). For apprenticeships, Pell essentially helps pay the cost of classroom education. For example, a construction apprentice taking community college courses one day a week can use Pell to pay their tuition instead of the sponsor or employer covering it. Pell Grants do not directly pay wages or on-the-job costs – they strictly fund education expenses. Pell funds are paid to the institution, which applies them to the student's account. Any excess is refunded to the student for living expenses.

Stipulations & Reporting

Pell recipients must maintain satisfactory academic progress in their program in order to receive funds. The college is required to report enrollment and is subject to audit on use of Title IV funds. There are strict rules on program length and accreditation. **Short-term training programs (<15 weeks)** currently do not qualify for Pell, which historically has excluded many quick-turnaround job training or bootcamps.

However, there is a movement in Congress to expand "Pell for short-term programs" (often called the JOBS Act). In 2025, legislation was introduced to allow Pell Grants for high-quality programs as short as eight weeks, but it did not become law. Thus, apprenticeships consisting of shorter modules must still be tied to a longer program (e.g., an apprenticeship might be structured to grant a college certificate over one year, meeting Pell's length requirement).

Applicable Populations

Pell primarily benefits **adult apprentices** and some older youth who are engaged in postsecondary study. For example, an 18-year-old entering a Registered Apprenticeship that is partnered with a community college can apply for Pell to cover the college courses. Youth apprentices still in high school cannot get Pell (they're not in postsecondary yet), but they might get college credit through dual enrollment (discussed below). Also note: **incarcerated apprentices** – Pell Grants were expanded in 2023 to incarcerated students under the Second Chance Pell initiative becoming permanent. This could fund pre-apprenticeship or apprenticeship programs within prisons for eligible individuals, a new development in 2025.

Recent Updates

The Pell Grant maximum was increased in recent federal budgets, reaching $7,395 for the 2025-2026 award year. Legislative efforts to allow Pell for short-term programs have continued; in 2024, Congress attempted to attach a short-term Pell expansion to a must pass defense bill, but it did not pass. While not enacted yet, this is a space to watch: if approved in 2026, it could mean certain **standalone apprenticeship technical training (even under 15 weeks)** might qualify for Pell. For now, providers should design apprenticeship curricula to align with Pell-eligible formats (e.g., bundling instruction into a semester-length certificate).

Another update: veterans who are apprentices can now use Pell concurrently with GI Bill benefits if they have remaining eligibility, but generally the GI Bill (discussed later) is more advantageous for veterans' living support. For the 2025-2026 and 2026-2027 award years, the maximum Pell Grant award is expected to remain at $7,395 and eligibility will continue to be based on federal need-analysis rules and Student Aid Index (SAI).

Applicability

Pell Grants can significantly reduce the cost burden on either the apprentice or the apprenticeship sponsor for the classroom portion of training. Many union apprenticeship programs partner with community colleges so their apprentices **earn college credit and use Pell** – essentially leveraging federal student aid instead of relying solely on employer or union funds for classroom training. Training providers should ensure their apprenticeship-related instruction is accredited and Pell-eligible when possible. It's also worth noting that Pell can be **combined with other funding**: e.g., an apprentice might use Pell for tuition, while a WIOA program covers their supportive services and the employer covers the remainder of costs.

Dual Enrollment Programs
High School & College

Dual enrollment refers to programs allowing high school students to take postsecondary courses (often for free) and earn both high school and college credit. While not a direct federal funding stream, dual enrollment is largely funded by state and local education dollars (and sometimes supported by federal Perkins or grant funds). It's included here because **dual enrollment has become a key mechanism to fund training for youth apprenticeships and pre-apprenticeships** while students are still in high school.

Funding Mechanism

In most states, dual enrollment is financed through the K-12 and/or community college funding formulas. Essentially, a high school student taking a college class is counted in some way that directs funding to the college or requires the high school to pay tuition on the student's behalf. For example, in **Florida**, dual enrollment courses are tuition-free to the student; the state provides a reimbursement to colleges for these students or the school district covers it via agreements.

In Florida, lawmakers attempted to slash the budget for funding, but public school parents organized and pushed back, restoring the cuts; however, defunding or tightening of the budget is a viable threat going forward. In **North Carolina**, high school juniors/seniors can take community college courses under the **Career & College Promise (CCP)** dual enrollment program with no tuition charges; the state subsidizes the community college for those enrollments. Other states (e.g., Indiana, Colorado) similarly have statewide policies ensuring dual enrollment is free or low-cost to students, with funds transferred between education agencies.

Use for Apprenticeship/OJT

Dual enrollment is a powerful tool for youth **apprenticeship programs**. A student can be employed part-time as an apprentice and simultaneously take related technical instruction through a local college during high school. The dual enrollment funding means the student (or employer) doesn't pay tuition. For instance, a high school youth apprentice in IT might spend mornings at a company and afternoons taking a computer science course at a community college, earning college credits for free. Dual enrollment funding covers the course cost, effectively acting as a scholarship. Many **pre-apprenticeship programs for high schoolers** also rely on dual enrollment for technical courses or OSHA/safety certifications delivered by colleges.

Eligibility

Typically, dual enrollment is open to 11th and 12th graders (and in some states, even 9th–10th graders but this varies by state) who meet certain criteria (e.g., minimum GPA or test scores, or a recommendation). States often require an agreement (MOU) between the school district and college. There may be limits on the number of courses or which courses. When connected to apprenticeship, students generally need to maintain good academic standing to continue. Some states have created **career-focused dual enrollment pathways** (such as Get There Faster grants in Florida) to expand access to CTE and apprenticeship-aligned courses.

Stipulations & Reporting

Because funding flows through education budgets, schools must report dual enrollment participation. K-12 districts often get "bonus" funding or FTE credit for students in these advanced programs (hence the Florida example of bonus FTE funding). This varies by state. Compliance involves having articulation agreements in place and ensuring courses count toward both diploma and college credit. For the programs themselves, there's an onus to track student outcomes (credits earned, high school graduation, continuation to postsecondary). There is no singular federal data system for dual enrollment – it's managed at state/local levels.

Recent Updates

Dual enrollment has been expanding nationwide as a college affordability and workforce strategy. Many states have increased funding or removed barriers. For example, in 2024 Indiana started allowing certain younger adult-ed students to dual enroll, and Colorado has been growing its ASCENT and Concurrent Enrollment programs. **A cautionary issue:** some states are examining costs, as the popularity of dual credit grows. (Florida debated funding formula tweaks in 2025 but ultimately maintained support for dual enrollment.)

Overall, dual enrollment remains strongly supported due to its proven benefit in accelerating student progress. Training providers should engage with local school districts and community colleges to tap into this resource. A student who starts an apprenticeship in high school can knock out a significant portion of their technical instruction via dual enrollment at no cost, reducing the time and money needed after high school to complete the apprenticeship or further education.

Applicability

Dual enrollment is designed for **high school youth** and remains a cornerstone of many **youth apprenticeship models**, enabling “learn and earn” experiences that integrate with education. For organizations building talent pipelines, partnering with high schools to offer dual-enrolled technical classes (whether taught at a career center or community college) continues to be a strong strategy to fund training for youth via the education system.

However, it is important to note that dual enrollment funding differs by state. States including Indiana, North Carolina, and Colorado have especially robust dual enrollment systems. Florida maintained broad access but faced major proposed cuts and funding formula changes, creating ongoing uncertainty for districts. New York and Pennsylvania have programs, but with varying levels of funding support. **Always check your state’s current dual enrollment policy for specific reimbursement or grant opportunities as these can change from year to year.**

Dedicated Registered Apprenticeship Funding
USDOL Grants and Contracts

The U.S. Department of Labor invested directly in expanding Registered Apprenticeships through competitive grants and new initiatives. Unlike formula funds (WIOA, Perkins, etc.), these are targeted funds specifically for apprenticeship expansion, awarded to states or organizations via grant applications.

Key programs and funding updates:

Apprenticeship Expansion and Innovation Grants

The U.S. Department of Labor (USDOL) ran several grant programs such as *ApprenticeshipUSA* (under the Obama administration), the *American Apprenticeship Initiative (AAI)*, and **Apprenticeship Building America (ABA)** grants under the Biden administration. In 2022 and 2023, DOL awarded significant funds to industry intermediaries, labor-management partnerships, community colleges, and others to start new RA programs, especially in non-traditional industries and for underrepresented populations. In 2024, DOL launched a second round of **Apprenticeship Building America** grants with **$95 millio**n available competitively.

These grants typically range from $1 million to $8 million per project and fund activities like curriculum development, outreach, and partnership coordination (rather than paying apprentice wages). Organizations like training providers or workforce boards can apply when these FOAs (Funding Opportunity Announcements) are open.

State Apprenticeship Expansion (SAE) Grants

USDOL has also been giving formula or categorical grants to states specifically for apprenticeship. For example, in 2022 each state apprenticeship agency or related entity got an allotment under the **State Apprenticeship Expansion, Equity and Innovation (SAEEI)** grants (often around $3-4 million per state). In 2023–2024, DOL shifted to partially **formula-based funding (SAEF)** – e.g., the State Apprenticeship Expansion Formula grant Round 2 provided **$100 million total** to states, roughly $1–3 million per state.

These funds, managed by state offices, are used to hire apprenticeship staff, develop new programs, support apprentices (sometimes via incentive payments or tuition support), and ensure equity in RA. In 2025, DOL announced a third round of these formula funds (SAEF3) to continue supporting states. For training providers, this means your state may have sub-grants or services funded through these dollars – for instance, a state might use its SAE grant to offer mini-grants to apprenticeship sponsors or to subsidize related instruction costs for new apprentices.

Federal Registered Apprenticeship Technical Assistance

Aside from grants, DOL's Office of Apprenticeship (OA) provides resources like the Registered Apprenticeship Technical Assistance Centers of Excellence (focused on DEIA, youth, etc.), and Industry Intermediaries contracts. These are not direct funding for local programs, but they often produce free tools, curriculum frameworks, and provide expert guidance – all of which indirectly reduce the cost of starting an apprenticeship.

GI Bill for Apprentices (Veterans)

While not a grant to organizations, it's worth noting as a federal benefit: Eligible veterans in a Registered Apprenticeship can use their **Post-9/11 GI Bil**l benefits to receive a monthly housing allowance while apprenticing. The allowance amount depends on veteran eligibility and is based on a percentage of the Department of Defense Basic Allowance for Housing (BAH) for an E-5 with dependents, at the program location. That percentage steps down over the apprenticeship term – for example, a veteran apprentice receives a housing stipend equal to **100% of the BAH rate for the first 6 months, 80% for the second 6 months, etc., down to 20% by the fourth year**.

Over a multi-year apprenticeship, this can total tens of thousands of dollars in support to the apprentice, which improves retention and completion. Sponsors benefit when their veteran apprentices receive supplemental income from the VA, helping to reduce financial hardship. To enable apprentices to claim the GI Bill, sponsors must ensure their program is registered by submitting a simple registration with the VA. There is no direct cost to the sponsor, making this a valuable recruitment incentive and support tool.

Current Emphasis

The Biden administration prioritized apprenticeship expansion, particularly in emerging fields (IT, advanced manufacturing, cybersecurity, healthcare) and for **diverse talent (women, people of color, justice-involved individuals)**. In early 2025, USDOL announced nearly **$200 million** in new grant funding to expand RAs, combining the ABA Round 2 and SAE Formula grants. There is also synergy with other federal initiatives: for example, the CHIPS and Science Act and the Infrastructure Investment and Jobs Act (IIJA) both include workforce development grants that encourage apprenticeships in semiconductor manufacturing and construction respectively. Organizations should watch for **inter-agency grants** (like Department of Energy or Transportation grants) that may fund apprenticeship programs in specific sectors. While these are competitive, they represent sizable infusions of capital for those who win awards.

Applicability

These funds are mostly accessible to **organizations, not individuals**. Training providers, consortia, industry associations, unions, and workforce intermediaries are typical applicants. If you are a local provider, you might benefit by partnering on a grant led by a larger entity. For instance, a community college might join a tech industry intermediary's grant to roll out an apprenticeship in cybersecurity, thereby getting a share of funding to run the program. **Braiding** with other funding is often expected – federal apprenticeship grants may require matches or coordination with WIOA, state funds, or employer contributions. The good news is many of these grants explicitly allow and encourage blending funds.

One more note: **Registered Apprenticeship vs. IRAP** – the brief experiment with Industry-Recognized Apprenticeship Programs (IRAPs) (2019–2021) was discontinued. In 2025, **Registered Apprenticeship was the sole federally recognized apprenticeship system**, meaning nearly all federal funding channels flow to RA development. If your program was involved in IRAP, consider transitioning those to RA to access these funding streams.

State-Specific Funding Programs and Initiatives

In addition to federal funds, each state often layers on its own programs to support apprenticeships and OJT. These can include general workforce funds, state education/training grants, tax credits, and more.

Below, we outline funding and programs in seven example states – **Arkansas, Colorado, Florida, Indiana, New York, Pennsylvania,** and **North Carolina** – highlighting the dollars, eligibility, and unique features in each.

Arkansas

Arkansas has developed several mechanisms to fund apprenticeship and work-based training:

State Apprenticeship Training Grants

The Arkansas Office of Skills Development (OSD) administers grants to support apprenticeship programs, especially through the Arkansas Apprenticeship Coordination Steering Committee. A notable source is the **Arkansas Construction Industry Craft Training Trust Fund**, financed by a small surcharge on construction permits (e.g., $0.50 per $1,000 of project value). In FY2024 this fund had a budget of about **$800,000** dedicated to apprenticeship training in construction trades.

Funding priorities included curriculum ($640,000), outreach ($60,000), equipment ($60,000), and instructor training ($40,000). Essentially, Arkansas uses this trust fund to provide **grants to apprenticeship "schools" (training providers)** that deliver the classroom instruction for Registered Apprenticeships in construction occupations. Apprenticeship programs can apply for support to cover instructor salaries, equipment purchases, and related instructional needs. Similar support may be available for non-construction apprenticeships through OSD's general grants. These grants help training providers avoid passing costs onto apprentices or employers, keeping apprenticeship tuition-free in many cases.

Arkansas Apprenticeship Tax Credit

To incentivize employers to hire apprentices, Arkansas offers a **state income tax credit** for each apprentice employed in a Registered Apprenticeship program. The credit is **$2,000 per apprentice, or 10% of the apprentice's wages, whichever is less, up to $10,000 total per employer per year**. The program specifically includes youth apprentices (age 16+) and covers both state-registered (once Arkansas's agency is operational) or USDOL-registered apprentices.

Employers claim the credit when filing taxes, and must obtain a certification from OSD confirming the apprentice and program qualify. This credit has been in place since 2017 and was recently extended. It effectively reimburses employers for a portion of on-the-job training costs through tax relief. (For example, if a company hires 5 apprentices, it could get up to $10,000 off its state tax bill that year.)

WIOA and Career Education Funds

Arkansas's state workforce system, through the Division of Workforce Services, uses WIOA funds to support apprenticeships (covering ITAs or OJT contracts for eligible participants). Additionally, the state's Career and Technical Education agency (part of the Department of Education) can use Perkins reserve funds for youth apprenticeship development. Arkansas has a **Career Pathways Initiative (CPI)** that uses TANF funds to support training for low-income parents – while not apprenticeship-specific, some CPI participants enroll in nursing or trades apprenticeships with supportive services covered.

Recent Changes

In 2025, Arkansas took a big step by passing **Act 695**, establishing a State Apprenticeship Agency under OSD and directing it to apply for federal recognition by the end of 2025. This move is significant because it will bring more federal apprenticeship dollars directly to Arkansas (through SAE formula grants) and allow Arkansas to tailor apprenticeship registration services locally. As part of this effort,

Arkansas is likely to increase state support for apprenticeship staff, marketing, and new program incentives. OSD has also been working on **Arkansas Certified Pre-Apprenticeship standards** (with a new handbook issued), which could lead to more funding or recognition for quality pre-apprenticeship programs aligned with RA. For employers, all existing incentives (tax credits, etc.) remain, and the state is raising awareness: Arkansas's "Apprenticeship Works" initiative in late 2024 highlighted that companies can leverage "a variety of funding avenues" when launching programs.

Braiding Tip: **In Arkansas, a sponsor of a construction apprenticeship could braid state trust fund dollars for related instruction with WIOA OJT funds for on-the-job wages and also claim the tax credit – a potent combination. For example, an electrical apprenticeship program might get classroom costs paid by the OSD grant, have the apprentices (if WIOA-eligible) receive wage subsidies or support services, and the employer still gets $2,000 back per apprentice at tax time. However, careful compliance with each program's rules is needed (e.g., WIOA requires eligible participants and performance tracking; the tax credit requires documentation to the state Dept. of Finance and Administration).**

Colorado

Colorado has been on the forefront of apprenticeship innovation, with strong state support and new financial incentives demonstrated in 2024 and 2025:

Apprenticeship State Tax Credit

Colorado enacted a robust apprenticeship employer tax credit starting tax year 2023–24. Employers who hire a qualified apprentice in a Registered Apprenticeship can claim a state income tax credit of **up to $6,300 for the apprentice's first 6 months, plus $1,050 for each additional month up to 12 months – totaling a maximum of $12,600 per apprentice** in a given tax year. This is one of the more generous apprenticeship tax credits in the country. The apprentice must be employed for at least 6 months for the base credit, and the credit can continue into a second tax year if the apprenticeship spans calendar years.

An employer may not claim more than 10 apprentices per year for the credit, and an apprentice can only generate credit for at most 24 months. To use it, employers apply to the Colorado State Apprenticeship Agency (within the Dept. of Labor and Employment) for a tax credit certificate; the SAA verifies that the apprentice and program meet the criteria (e.g., RA program, proper wage progression, etc.), and then the employer attaches the certificate to their tax return. This incentive is explicitly aimed at expanding apprenticeships in high-demand fields by offsetting employer training costs. *Notably, this credit replaced a smaller "school-to-career" credit that was phased out at the end of 2024*.

Apprenticeship Development Grants

In 2024 Colorado passed HB24-1439 ("Financial Incentives for Expand Apprenticeships"), which created two grant programs: the **Scale-Up Grant** and the **Apprenticeship Intermediary Grant**. The law provided an initial $2 million to the Scale-Up Grant Fund and **$2 million** to the Intermediary Fund, with funds to be administered by the Colorado Office of the Future of Work (within CDLE).

- *Scale-Up Grants:* These are competitive grants for employers or entities to s**tart new Registered Apprenticeship programs or expand existing ones**. An employer, college, or other sponsor could apply for funding to develop curriculum, hire staff to manage the program, or offset other startup costs.

- *Intermediary Grants:* These support "qualified apprenticeship intermediaries," meaning organizations that help connect employers with apprentices or convene partnerships to launch programs. Think of workforce nonprofits, industry associations, or chambers of commerce – they can get funding to expand their apprenticeship outreach and coordination efforts. Both grant programs come with reporting requirements for outcomes and must prioritize high-demand industries or underserved areas, as defined by the new law. For FY2024-25, about $667,000 was appropriated for each program's initial grants (likely expecting multi-year use of the $2 million seed funds). Providers in Colorado should watch for announcements from **Apprenticeship Colorado (Office of the Future of Work)** about these grants. For example, in late 2024 the state launched "BuildUp" and "ScaleUp" grant opportunities – these are the direct result of this legislation and offer funding to local partnerships.

Existing Training Funds

Colorado also has long-standing training funds such as **Colorado FIRST and Existing Industry grants** (administered by the community college system in partnership with the Office of Economic Development). These provide training dollars to companies relocating or expanding in Colorado and can be used for short-term skilling of employees (often up to $1,200 per employee).

While not apprenticeship-specific, they can complement apprenticeships for upskilling incumbent workers. Additionally, **Workforce Development Council** initiatives can deploy WIOA Governor's Reserve funds for special apprenticeship pilots. Colorado was an early recipient of federal apprenticeship grants and has leveraged those to build the **CareerWise Colorado** youth apprenticeship model (a non-profit running youth apprenticeships with business-education partnerships). CareerWise is mostly philanthropy-funded, but the state's endorsement and alignment means businesses may get some state training funds when participating (via local workforce boards or education support).

Tuition Support

Colorado does not have a blanket waiver of tuition for apprentices, but through concurrent enrollment and strategic use of community college funding, many youth apprentices get their related instruction at low or no cost. For adult apprentices, some community colleges offer discounted tuition for cohorts sponsored by employers or apply for other scholarships (sometimes funded by state money). And if the apprentice is a veteran, Colorado encourages use of GI Bill benefits to supplement (Colorado was among the first states to hire a dedicated specialist to help register programs for GI Bill approval).

2026 Outlook

With the new tax credit and grants, Colorado is doubling down on apprenticeships. Established in 2021, the State Apprenticeship Agency (SAA) is scaling up and will be collecting data to report to the legislature on these incentives' effectiveness. We might see adjustments in future years (e.g., increasing the cap on the number of apprentices for the credit or renewing grant funding). Importantly, Colorado's model is a case of **braiding state general funds with federal grants**: The $4 million for grants came from the state's general fund, complementing federal SAE grant money used to build the state apprenticeship system's capacity. Employers in Colorado can combine benefits: e.g., an employer could get a Scale-Up grant to develop an apprenticeship, then claim the tax credit once apprentices are hired, and even use WIOA funds for OJT if the apprentices meet eligibility.

Braiding Tip: **If you are an employer or intermediary in Colorado, a possible stack could include WIOA OJT reimbursements (50% of wages) for eligible apprentices, plus the state tax credit (which effectively covers ~a few more months of wages via tax relief), and a state grant to cover program development costs. On the education side, a local community college might use Perkins funds to design the curriculum while students/apprentices use Pell or concurrent enrollment to pay for classes. Colorado's policy environment encourages using all of the above in concert – but be mindful of each program's audit trail (track outcomes for the state grants and ensure no "double dipping" on the same exact cost between a grant and a tax credit claim).**

Florida

Florida has made workforce development a top priority, with a range of funding streams to support apprenticeships and other training. Key components include:

Pathways to Career Opportunities Grant (PCOG) Program:

Florida launched the PCOG in 2019 and has continued to invest in it each year. This is a state grant program specifically to establish or expand registered apprenticeships and pre-apprenticeships. In the FY2024-2025 state budget, the Governor and legislature allocated $20 million for the PCOG program. These funds were awarded competitively to high schools, career technical centers, Florida College System institutions, and other authorized apprenticeship sponsors to start new programs or grow existing ones.

Typical awards range from tens to hundreds of thousands of dollars; for example, a community college might get $300,000 to develop an apprenticeship in advanced manufacturing, or a school district could receive $500,000 to expand a pre-apprenticeship in building trades. In 2025, Florida also set aside an additional $5 million dedicated to a "Grow Your Own" Teacher Apprenticeship Program, aiming to address teacher shortages by creating RA pathways into teaching. (This is an innovative use of the apprenticeship model in the education sector – apprentices work as paraprofessionals while studying to become certified teachers.) Grant recipients must use funds for program costs like curriculum development, instructor salaries, equipment, or apprentice recruitment, and they report on outcomes such as number of apprentices enrolled.

State Funding for Apprentice Classroom Instruction

Florida provides direct support to cover the cost of related technical instruction (RTI) for apprentices. The Florida Department of Education (FLDOE) funds school districts and colleges for apprenticeship training hours through the Workforce Education Fund formula. In practice, this means that if an apprenticeship program's classes are delivered at a public technical college or community college, the training provider receives a reimbursement from the state based on attendance (measured in clock hours of instruction) – so neither the apprentice nor the employer pays tuition.

This policy has been in place for years, effectively making apprenticeship classroom instruction free in the public system. For example, if an apprentice attends a 144-hour electrical theory class at a technical college, the college counts those hours for state funding. Florida's 2024 budget included operational funding of $451 million for CTE programs statewide, which encompasses apprenticeship training offered by these institutions. Training providers still must budget, but they are aided by the fact that apprenticeship students generate funding similarly to other adult education students. Many states envy this model, as it removes a cost barrier for apprentices.

Incentive Funding for Schools
Dual Enrollment and Industry Certifications

Florida also rewards school districts for students who achieve industry certifications or participate in dual enrollment (which can include apprenticeship-related courses). As noted, nearly $600 million was allocated in 2024-25 to districts for students in accelerated programs. A district earns bonus funds when a student completes an apprenticeship or pre-apprenticeship and earns a credential (for instance, a NCCER construction certificate). This creates a strong incentive for K-12 systems to partner on apprenticeship pathways.

CareerSource Florida (Workforce System) Grants

Florida's workforce boards (CareerSource regions) use WIOA funds for apprenticeships extensively. Additionally, CareerSource Florida (the state workforce board) has offered state-level grants – for example, using WIOA Governor's Reserve funds or discretionary funds – to encourage apprenticeships in targeted industries. Under the Reimagining Education and Career Help (REACH) Act, Florida has been integrating workforce and education efforts, so expect more synergy.

In 2023, CareerSource launched an Apprentice Florida initiative (with marketing and technical assistance) funded by a federal State Apprenticeship Expansion grant. Local CareerSource boards can often reimburse 50-75% of apprentice wages for a period via On-the-Job Training contracts if the apprentice meets WIOA eligibility. They can also support supportive services (e.g., tools, transportation for apprentices).

Recent Updates

Florida's 2024–2025 budget (branded "Focus on Florida's Future") was very generous to workforce programs – $853 million in total across various initiatives. Notably, the $20M PCOG funding was a bump up from prior years, signaling continued commitment. The introduction of teacher apprenticeship funding is new, positioning Florida as one of the leading states to invest state dollars in apprenticeships for the education sector. Many of the initial PCOG grantees (from 2019–2020) have established programs, so FLDOE is now funding expansions and new ideas (healthcare, IT, and advanced manufacturing apprenticeships have been popular). Florida also passed legislation to make it easier for 16–18 year-olds in adult education to dual-enroll in career programs, which could expand the pipeline for youth apprentices.

Overall, Florida is aligning its systems: for example, the state DOE and Department of Commerce (which now houses workforce) are collaborating on data systems so that apprentice outcomes can be tracked and success celebrated (Florida now highlights apprenticeship complete wages in its accountability system).

Braiding Tip: **Florida programs can layer multiple supports. Consider a manufacturing apprenticeship at a state college: the college wins a PCOG grant to buy equipment and hire a coordinator; the apprentices are dual-enrolled high school seniors who get free tuition; the employer gets WIOA OJT wage subsidies from CareerSource for the portion of apprentices who qualify; and once those students graduate high school, they continue postsecondary training on Pell Grants while working.**

Meanwhile, the school district earns bonus funds when the youth earn industry certifications during the apprenticeship. All these can work together. Florida agencies actively encourage such braiding – one example is using both Perkins and PCOG funds to develop a new apprenticeship, with Perkins funding ongoing instructional needs after the PCOG seeding. It is important to ensure clear documentation so an expense isn't covered twice by two funding sources. Florida's auditing (especially for the grant funds) will check that, but they allow mixing different funds on different budget lines of a project.

Indiana

Indiana has branded its workforce initiatives under the umbrella “Next Level Jobs,” and apprenticeships/OJT are a significant piece of the strategy. Key funding sources include:

Next Level Jobs – Employer Training Grant (ETG)

Indiana’s Employer Training Grant is a flagship state program that directly reimburses employers for training new or incumbent workers in high-demand industries. This program, managed by the Indiana Department of Workforce Development (DWD), is highly relevant to OJT and apprenticeship. Under current guidelines, the ETG will reimburse an employer up to $5,000 per trainee who is trained and retained for at least 6 months, with a cap of $50,000 per employer per year. Eligible trainees can be new hires or existing workers who receive “significant upskilling.”

The training must align with one of Indiana’s priority sectors (manufacturing, healthcare/life sciences, IT/business services, transportation/logistics, construction, or agriculture) and result in either a post-secondary credential, an industry certification, or improved job responsibilities. Apprenticeships inherently meet these criteria, since apprentices get extensive training and usually a credential (e.g., journeyman’s certificate or college certificate). Thus, employers with apprenticeship programs can apply to have some of their costs reimbursed: for each apprentice that completes at least 40 hours of training and stays 6+ months, the state will cut a check for up to $5,000.

The reimbursed amount is based on actual training costs and type. Indiana will pay the full $5,000 for high-value training like a college degree or industry certification, but only up to $3,000 for company-specific training without a portable certification, and $1,000 for a high school student in a work-based learning program. In practice, most Registered Apprenticeship related instruction would qualify for the top tier. The ETG program has been very active – since 2017, it has served thousands of trainees. In late 2023, Indiana refreshed funding for the program (including federal recovery funds to expand it) and by mid-2024, opened a new application portal to streamline employer access.

Next Level Jobs – Workforce Ready Grant (WRG)

On the individual side, Indiana offers the Workforce Ready Grant which provides free tuition for Indiana residents to attend high-demand training programs (largely at Ivy Tech Community College or Vincennes University, and some other providers). Many of these programs are one-year certificates or shorter credentials. An apprentice can potentially utilize a Workforce Ready Grant to cover the classroom instruction component of their apprenticeship, if the program of study is one of the approved high-demand fields (e.g., CNC machining, welding, IT support, etc.).

For example, if an apprenticeship's RTI is delivered as an Ivy Tech certificate in Industrial Maintenance (which is on the WRG eligible list), an apprentice who doesn't already have a college degree could enroll tuition-free. This is effectively state-funded "last dollar" scholarship money. It's a great complement to apprenticeships – the apprentice focuses on learning, while the state covers the tuition and the employer covers the wages. The WRG has no income requirement (it's open to any adult without a prior college degree), which makes it accessible to incumbent workers too.

Special Employment and Training Services (SETS) Fund – Apprenticeship Support

Indiana law directs penalties from the state Unemployment Insurance system into a special training fund (the SETS fund). A portion of this fund may be allocated to state educational institutions such as Ivy Tech Community College to support apprenticeship training – particularly the classroom instruction for union apprenticeship programs. Ivy Tech, the statewide community college, partners with many union Joint Apprenticeship Training Committees (JATCs) to deliver related instruction (often general education or technical theory courses).

Through this funding, Ivy Tech may use those funds to reimburse instructors teaching apprenticeship courses and even for delivering "journeyworker upgrade" courses (ongoing education for completers). In practical terms, this helps keep costs down for union apprenticeship programs (some may pay Ivy Tech a nominal $5–$10 per credit fee for their apprentices, far below normal tuition). It's an example of Indiana leveraging a state-level funding source to directly underwrite apprenticeship instruction. Training providers in Indiana should be aware of this – if you partner with Ivy Tech or another state institution, ask if SETS apprenticeship funds might cover some of your program's instructional costs.

Tax Credits

Indiana has experimented with apprenticeship tax credit legislation, but currently, there isn't a permanent, separate state apprenticeship tax credit in effect (beyond using the federal Work Opportunity Tax Credit for hiring certain populations). A bill in 2023 proposed credits up to $5,000 per apprentice for employers, but it did not become law. Instead, Indiana has funneled resources into the grant programs above. This could change in the future as the state refines its approach.

Other Initiatives

Indiana's Governor's Workforce Cabinet advanced the concept of Career Apprenticeship Pathways (sometimes called Extended Earn-and-Learn). In early 2025, the state developed the Indiana Career Apprenticeship (INCAP) through the iLab Indiana initiative. The effort aimed to blend elements of apprenticeship with high school career paths (possibly leveraging the JAG—Jobs for America's Graduates—network and career/tech ed). While details are emerging, this likely will come with some funding for pilot programs connecting K-12 students to postsecondary apprenticeships. Indiana also continues to operate Jobs for Hoosiers and Sector Partnership grants that local regions can use, some of which include apprenticeship components. And of course, Indiana's workforce boards use WIOA funds for apprentices (with several local boards recognized in recent years for innovative apprenticeship partnerships, especially in advanced manufacturing).

Current Focus

Indiana's legislature and administration are very outcomes-driven – expect continued funding as long as employers utilize the Employer Training Grant and individuals enroll with the Workforce Ready Grant. By 2024, more than 30,000 individuals used the Workforce Ready Grant for training, and thousands of workers trained via ETG. In 2025, the state integrated these programs into an online portal (NextLevelJobs.org), making it easier to braid them. For example, an employer might learn about the ETG and WRG at the same time, realizing they can get tuition-free training + a wage reimbursement. Indiana is also paying attention to tech and IT apprenticeships (with a few tech apprenticeship intermediaries operating via federal grants), and to youth apprenticeships via the Modern Apprenticeship program in Marion County and others, which could be scaled with state dollars in the future.

Braiding Tip: **In Indiana, an effective strategy is to use the Workforce Ready Grant (WRG) to cover classroom training costs for the apprentice, use the Employer Training Grant to reimburse some of the apprentice's wages/OJT costs, and if the apprentice qualifies, enroll them in WIOA for any supportive services (or additional OJT funds if ETG cap hasn't been reached). For union apprenticeships, ensure you tap the Ivy Tech apprenticeship funds – coordinate with Ivy Tech so that your apprentices are officially enrolled and the courses are credited, enabling Ivy Tech to draw down SETS funding to pay instructors. Another layer: several Indiana employers have also secured federal apprenticeship grants (through Apprenticeship Building America, etc.), which they can use to hire staff to manage the program or to develop new curricula, while the state funds cover the direct training costs. Indiana's ecosystem is ripe for such multi-source funding – the key is coordinating with the different agencies (DWD for ETG/WRG, Ivy Tech for instructional support, local Workforce One-Stop for WIOA). Keep communication open so each funder knows who is covering what.**

New York

With its large economy, New York State has multiple programs to fund apprenticeship and workforce training. However, in recent years, the approach has differed in how New York City and upstate New York handle those funds.

Empire State Apprenticeship Tax Credit (ESATC)

New York introduced ESATC in 2018 to encourage employers to hire apprentices from targeted populations. The program runs through tax year 2026 and provides multi-year tax credits for each apprentice a certified employer hires, with enhanced credits for disadvantaged youth and if a mentor is utilized. The credit amounts are tiered by the apprentice's year: for a standard apprentice, $2,000 in year 1, $3,000 in year 2, $4,000 in year 3, $5,000 in year 4, and $6,000 in year 5. For disadvantaged youth (someone ages 16-24 who was unemployed or not enrolled in school, among other criteria), the amounts are higher – $5,000 in year 1, $6,000 in year 2, and $7,000 each year for years 3–5. Employees may also claim a flat $500 bonus credit each year if the apprentice has a designated mentor guiding them. The maximum credit per apprentice per year is $7,000 (or $7,500 with the mentor bonus). The tax credit can be claimed against New York State income or franchise tax.

Only Registered Apprenticeships in demand occupations qualify, and notably construction trades are excluded (unless the apprentice is in a maintenance position for that employer) – this is because New York has separate prevailing wage training requirements for union construction. To access the credit, an employer (or apprenticeship sponsor) must apply to the New York Department of Labor for certification, and there's an annual cap on the number of new apprentices that can be approved statewide (to stay within budget). The ESATC has been an attractive incentive especially in sectors like healthcare, IT, advanced manufacturing, and is one reason many employers partner with the state to register programs. If an apprentice leaves before 6 months, the credit for that year cannot be claimed (minimum retention of 6 months is required). The program's sunset was extended to December 2026, so employers can still enroll new apprentices through 2026 and get the credits for the full term of the apprenticeship.

New York State Apprenticeship Expansion Grants

New York has utilized both federal and state funds to grow apprenticeship. Under the prior administration, the state launched a Workforce Development Initiative (WDI) that included competitive grants; some of those (PON 3982, etc.) were directed to apprenticeship programs, awarding several million dollars to sponsors to offset costs like related instruction or the purchase of training equipment. These grants were funded out of the state's consolidated funding process and have since been spent. In 2022, NYSDOL received a federal SAEEI grant (about $7 million), which it has been deploying through intermediary contracts and apprenticeship navigator positions. NYSDOL retains some federal funds and also committed state dollars to continue expansion.

In May 2025, NYSDOL announced $2.5 million in new state apprenticeship grants. These grants are to support entities (businesses, colleges, unions, non-profits) in creating high-quality apprenticeship programs or expanding apprentice enrollment. They tend to be modest-sized awards (e.g., $100,000–$300,000 each) aimed at seeding programs in high-demand fields like green energy, IT, healthcare, and advanced manufacturing. Applicants must detail how they will use funds (such as to subsidize apprentices' wages during training, develop curricula, recruit women into trades, etc.). The state's Apprenticeship Training Office evaluates proposals and monitors performance. For training providers in New York, these grants are a prime opportunity to get new programs off the ground – essentially covering many startup costs.

Direct RTI Reimbursement (Union Apprenticeships)

New York historically has provided some funding to help cover Related Instruction costs for union apprenticeships in the construction sector through the NYSDOL's Apprenticeship Training Program. While not widely advertised, JATCs could apply for a subsidy per apprentice for the classroom instruction portion. This funding has fluctuated with the state budget; some years it's available, others not. It might be funded through specific legislative appropriations. While subsidies are limited, union programs often tap into workforce grants or use collectively bargained funds for training. Non-union programs generally rely on the tax credit or other grants.

City-Level Initiatives

In New York City, separate from the state, the municipal government and the City University of New York (CUNY) have launched apprenticeship models, especially in tech (e.g., the ApprenticeshipNYC program) with philanthropic support. In February 2025, New York City announced a $2.1 million city investment to create new apprenticeships in childcare, nursing, IT, and media. This is notable because it shows local commitment: the funding will go to intermediary organizations that develop these apprenticeships, complementing state efforts. New York City's investment may provide stipends, covering some of the apprentice wages or program costs in sectors where apprenticeships are new. For example, a community-based organization might receive a city grant to recruit and support a cohort of nursing assistant apprentices and cover their related instruction at a CUNY college. Those in New York City should watch for these opportunities in addition to state programs.

Other Funding

New York uses WIOA funds via its 33 local workforce boards to support apprentices (some local areas issue ITAs or OJT contracts for apprenticeships). The SUNY and CUNY systems have been integrating apprenticeships into their curricula – SUNY's Apprenticeship Program (especially in advanced manufacturing) was previously backed by a federal AAI grant and state matching funds, which provided free or reduced-cost training for hundreds of apprentices statewide. In 2025, SUNY institutionalized some of that, offering free training in select programs (like machining, welding) to registered apprentices. New York also has a program called SUNY Future Tech Workforce Fund, which provides grants for innovative apprenticeship programs at community colleges. Furthermore, Youth Apprenticeship at the high school level is emerging: NYSED has a "Career Exploration Internship Program" and some BOCES are piloting youth apprenticeships (but these are early-stage and not large-scale funded yet).

Recent Changes

In 2025, a significant change was the extension and modification of the ESATC. It now excludes new construction apprentices (except maintenance roles), focusing on other industries. Beginning in 2023, New York enacted the Clean Energy Internship/Apprenticeship Program via NYSERDA, which allocates clean energy funds to support apprenticeships in weatherization, energy efficiency, etc. That's a specialized pot that clean energy companies can access to subsidize apprentices' wages. In general, New York is aligning apprenticeship with its ambitious climate jobs agenda and equity goals. Expect to see more funding targeting apprenticeships for offshore wind, building decarbonization, and technology in 2026. The Governor's Office has also signaled interest in expanding youth apprenticeship (perhaps learning from nearby states like NJ and MA that started programs). As such, future state budgets might include new pilots or dedicated funding for school-to-work apprenticeship pathways.

Braiding Tip: In New York, a savvy sponsor can combine the Empire State Tax Credit with Workforce Board funding and state grants. For example, if you run an IT apprenticeship in Buffalo you could apply for an Apprenticeship Expansion Grant to help cover the cost of curriculum and a case manager. You might also enroll your apprentices through the local Workforce Development Board to access supportive service funds or OJT wage subsidies (if they're eligible dislocated workers, for instance). As the employer, you could claim the tax credit each year the apprentice remains employed. If the apprentice is 18 and was previously unemployed (disadvantaged youth), by year 2 that's $6,000 in state tax credits you receive – effectively reimbursing some of the wages you paid out. Meanwhile, you might also leverage SUNY or CUNY programs to cover the cost of their related instruction (some colleges will cover up to $6,000 or $8,000 in RI tuition/fees for apprentices). Braiding in New York requires some effort because programs are siloed — tax credits come from the Department of Taxation and Finance, grants are administered through the Department of Labor, and WIOA funds are handled through the local workforce boards — but the payoff can be substantial. Be sure to keep thorough records for each funding source: NYSDOL expects grant recipients to document expenditures and apprentice progress, while the tax credit office will require proof of the apprentice's employment and program status each year.

Pennsylvania

Pennsylvania has a mix of grant programs, incumbent worker training funds, and local innovations to fund apprenticeships and OJT:

PAsmart Apprenticeship Grants

Launched under Governor Wolf and continued under Governor Shapiro, PAsmart is an umbrella for workforce and STEM education grants. Each year, PA's Department of Labor & Industry offers PAsmart Apprenticeship Development Grants (sometimes called Apprenticeship Building America Grants when federally funded). For example, in 2024 L&I announced a round of $450,000 for "Supporting Registered Apprenticeship Building" grants, intended to help partnerships develop or expand RA programs (often focusing on diverse talent pipelines or new industries).

Similarly, the PA Department of Education manages PAsmart grants for K-12 and CTE, which in 2025 included over $10 million for Career and Technical Education (CTE) and STEM initiatives – some of which intersect with pre-apprenticeship (e.g., career exploration programs that feed apprenticeships). PAsmart apprenticeship grants can range up to $400,000 per project, funding community colleges, unions, industry associations, and others. They often require multi-partner collaboration (industry + education + workforce board). Funds can be used for program development, equipment, instructor wages, related instruction, or even to offset some apprentice wages during training. Since 2018, Pennsylvania has invested millions through PAsmart grants, spurring the creation of new apprenticeships in robotics, logistics, and healthcare. Training providers should monitor Department of Labor & Industry announcements — typically released mid-year — for these opportunities.

Apprenticeship State Expansion & Support

Established in 2016, Pennsylvania's Apprenticeship and Training Office (ATO) has benefited from federal grants such as SAEE. The state often supplements this with its own funds for staff and apprenticeship navigators. The ATO has been working closely with the state's 23 workforce boards to integrate apprenticeship into local plans (each board must spend some WIOA training funds on apprenticeships or similar "earn-and-learn" per state guidance). Some local workforce boards in PA have dedicated apprenticeship navigators or mini-grant programs using their WIOA discretionary dollars. For instance, Philadelphia Works (the Philly board) has offered $50,000 grants to apprenticeship intermediaries and OJT reimbursements for apprenticeships. While not a unified state program, it's an important source: if you're an employer in Pennsylvania, check with your local workforce board for any apprenticeship incentives (some have OJT reimbursements up to 50% wages for 6–9 months for registered apprentices, similar to standard WIOA OJT).

Incumbent Worker Training – WEDnetPA

Pennsylvania runs one of the longest-standing incumbent worker training programs: WEDnetPA (Workforce & Economic Development Network of PA), also known as the Guaranteed Free Training program. WEDnetPA reimburses employers for training their existing employees in certain basic and advanced skills. The state budget typically allocates around $8 million annually for WEDnetPA, which is administered through a consortium of colleges and universities. Under current guidelines, a company can receive up to $100,000 per year, with a cap of $2,000 per employee trained. Employees must be Pennsylvania residents earning under a certain wage threshold (~$25/hour for basic skills, higher for advanced). How does this relate to apprenticeships?

If an apprenticeship involves upskilling current workers (say you take entry-level workers and enroll them in an apprenticeship to become supervisors or technicians), those workers count as incumbent and their training might be reimbursable via WEDnetPA. For example, if an incumbent worker is taking a 40-hour advanced PLC course as part of an apprenticeship, the employer could apply to WEDnetPA to cover that training cost, up to $2,000.

Or if an apprentice is already an employee and gets on-the-job training from a vendor, that cost could be claimed. WEDnetPA is flexible in covering a wide range of training topics (technical skills, software, health and safety, etc.). It won't cover wages but is only used for training expenses like tuition or trainer fees. Companies can apply through local WEDnetPA partners (colleges), and funds are first-come, first-served each fiscal year. Using WEDnetPA alongside apprenticeship is a great way to have the state pay for related instruction (especially for any non-credit training portions).

Youth and Pre-Apprenticeship Programs

Pennsylvania has supported youth pre-apprenticeships through various grants. For instance, several high schools and CTCs received PAsmart grants to start pre-apprenticeship programs that feed into building trades or manufacturing apprenticeships. Those often include some stipend or free training for students. Additionally, the state's Educational Improvement Tax Credit (EITC) can fund certain career education programs. Some nonprofits have even leveraged EITC donations to support pre-apprenticeship training for youth (though indirectly). In 2022, Pennsylvania also began recognizing registered pre-apprenticeships formally, which can make them more competitive for funds.

Recent Developments

Governor Shapiro's administration signaled continued support for apprenticeships as part of its workforce development strategy. In April 2025, Pennsylvania announced over $10.35 million in PAsmart "Advancing" grants for CTE and STEM, which included integration of work-based learning. The state budget process in 2025 concluded with expectations for potential new apprenticeship funding, possibly to support the energy sector (hydrogen, carbon capture) given federal investments coming to Pennsylvania. Another important change: Pennsylvania rolled out a new workforce reporting system, "Future Ready PA," to better track outcomes including apprenticeship completions. Showing results may help secure more state dollars in the future. For now, most apprenticeship funding is through competitive grants and existing training programs. Pennsylvania's Department of Labor & Industry and the Department of Education continued investing millions through PAsmart grants, supporting apprenticeship growth statewide through 2026.

Braiding Tip: In Pennsylvania, one powerful combo is using PAsmart grant funding to start a program and then WEDnetPA funds to sustain it. For instance, a consortium might get a $300,000 PAsmart grant to develop a new apprenticeship in robotics, cover initial curriculum design and maybe subsidize the first cohort's related instruction. After the grant, the employers in the consortium can enroll in WEDnetPA annually to get reimbursed for ongoing training costs for each new apprentice (up to $2,000 each), effectively institutionalizing the funding. Meanwhile, local workforce boards can be tapped for OJT wage subsidies for any apprentices who are eligible dislocated workers or low-income adults – this could cover 50% of their wages for, say, 6 months of the apprenticeship, which is significant. Pennsylvania also recently enabled braiding WIOA Title II adult education funds with apprenticeship. Some literacy providers now use adult education grants to teach related math/reading contextualized to apprenticeships (helping those who need to improve basic skills while apprenticing). So an apprentice could concurrently get free adult education classes (if needed) funded by Title II, while Title I (WIOA) or WEDnet covers occupational training, and the employer might get a tax credit if one is enacted in future. In practice, braiding means stacking state and federal funding sources to address all the different costs of building and running an apprenticeship program.

North Carolina

North Carolina's ApprenticeshipNC program (within the North Carolina Community College System) has a long history and recently benefited from a substantial funding boost. Key funding elements include:

North Carolina Apprenticeship Expansion Incentive (2022–2026)

In late 2021, the North Carolina General Assembly appropriated $12 million over multiple years to expand apprenticeships (Session Law 2021-180 §6.14). This funding is being used to provide direct incentives to employers and apprentices from 2022 through 2026. Specifically, the funds are targeted at small businesses (<=500 employees) in the state's less urban counties (Tier 1 & 2 counties) and in high-demand occupations. The incentive package includes:

- **$2,000 per year per apprentice** paid to the employer to help with the costs of onboarding and training. This can offset things like mentor time, training materials, etc.
- **$2,500 per year per apprentice for tuition, books, and fees.** This money is used to ensure the apprentice's related instruction is tuition-free and that required textbooks or course fees are covered (essentially a scholarship administered through the community college or provider).
- **50% wage reimbursement ("salary match") for the apprentice's wages** for each training period, up to a cap of $15/hour for adult apprentices or $14/hour for high school apprentices. This functions similarly to an OJT subsidy: the employer pays the wages, then can get half back for the hours the apprentice spent training, within those hourly limits. For example, if a high school apprentice earns $12/hour, North Carolina will reimburse $6/hour; if an adult apprentice earns $18/hour, North Carolina will reimburse $7/hour (half of the $14 cap).

These incentives are available for apprentices hired on or after July 1, 2022, and can be received for each year the apprentice is in the program (most apprenticeships in the targeted occupations last 1 to 4 years). At this stage, only employers or programs that acted before the end of 2024 and properly obligated funds are eligible to use apprenticeship expansion funds through the final spending deadline of December 31, 2026. Employers who did not act before the 2024 cutoff cannot newly obligate or receive these funds now. This is a substantial subsidy package; when you add it up, an employer could receive up to ~$4,500 a year plus half of wages per apprentice. Notably, **pre-apprenticeships are not eligible** – it's focused on fully registered apprentices. Currently, hundreds of employers across the state have tapped into these funds, and it's spurred growth especially in rural areas and new sectors.

Tuition Waiver for Apprentices

North Carolina provides a **community college tuition waiver for registered apprentices** in certain circumstances. By law, an apprentice who is in a Registered Apprenticeship program and began within 120 days of high school graduation is **eligible for tuition-free college courses** related to the apprenticeship. In practice, ApprenticeshipNC works with the 58 community colleges to ensure that qualifying apprentices do not pay out-of-pocket for their courses – the state reimburses the colleges for that lost tuition. This is essentially an extension of dual enrollment benefits into the post-high school period for youth apprentices. Many employers also cover tuition for older apprentices, but this waiver specifically helps young adults (16–25) avoid student debt. Combined with the incentive funds above, a youth apprentice in NC can truly earn while they learn with zero education costs.

North Carolina Community College Support

ApprenticeshipNC is part of the North Carolina Community College System (NCCCS), providing significant in-kind support (consultants, curriculum development assistance, etc.). The state allocates funds for system staff and regional apprenticeship consultants who help employers set up programs at no charge. Additionally, some state funds flow to colleges to start new apprenticeship-related courses or purchase equipment (often via the North Carolina Equipment Fund or state bonds). For example, if a college launches an apprenticeship in HVAC, they might get state dollars to buy new refrigeration trainers. These are not formalized in a specific program but happen through budget allocations and grant opportunities.

Local Workforce Development Boards

All 23 of North Carolina's local workforce boards have been encouraged to use WIOA funds for apprenticeships. Many boards offer OJT reimbursements or ITAs for apprentices – now, given the state's own wage match, they often coordinate to avoid duplication. A common approach is the board provides supportive services (gas cards, tools, etc.) while the state covers the wage match. In some cases, boards use WIOA Adult funds to pay for related instruction for apprentices who don't meet the waiver criteria. North Carolina also operates the Finish Line Grants program which some boards use to help apprentices who get laid off continue training.

Future Outlook

The infusion of $12 million has led to record numbers of new apprentices in NC, with ApprenticeshipNC reporting more than 16,000 total participants and more than 5,200 new enrollments as of late 2025. The state is expected to consider extending or renewing this funding, and there is discussion of making the wage match permanent for small businesses, given its popularity. In 2024, North Carolina started an initiative to expand youth apprenticeships (ApprenticeshipNC is working with select high schools on pre-apprenticeship to apprenticeship pathways), which could be bolstered by the results of the incentive funds (since they target 16–25 year-olds). North Carolina is also aligning apprenticeships with its economic development strategy – big companies that relocate to NC (for example, in biotech or electric vehicle manufacturing) are being encouraged to utilize apprenticeships, and sometimes bespoke incentive packages include training funds for that. On the policy front, North Carolina is exploring an adult learner pilot called "NC Job Ready" – if funded, it could channel more state dollars to fast-track training including apprenticeships for adults switching careers. By the end of 2025, sustained growth depended on legislative actions to maintain funding, with federal grants set to expire in mid-2026 and ongoing efforts to address administrative challenges for employers and sponsors.

Braiding Tip: North Carolina's state incentives already braid multiple elements (tuition, wage, training subsidy). To add more, an employer could also engage **WIOA** for supportive services or to cover any wage beyond the state cap. For instance, if an apprentice makes $17/hour, the state wage match only covers up to $14 (so half of $14). A local board might agree to reimburse the other half of the difference for eligible participants or extend the duration beyond what state funds cover (state might limit to 40 hours a week for a year; WIOA could possibly cover OTJ beyond that timeframe if needed).

Another key braid: **Veterans in North Carolina can stack the GI Bill housing allowance** on top of all this, giving them even more income while apprenticing. Also, if a high school apprentice is dual enrolled in college classes, the **dual enrollment program** covers their tuition while in HS, then the apprenticeship tuition waiver covers after graduation – effectively two different funding streams accomplishing free tuition at different stages. North Carolina has really minimized the need for complex braiding by offering a comprehensive package, but federal funds (WIOA, GI Bill) can still supplement to ensure no gaps. Employers should coordinate with their ApprenticeshipNC consultant and local NCWorks career center to map out who pays for what; the state has already done much of that integration behind the scenes.

Braiding Funding Streams for Apprenticeships

As evident above, **no single funding source usually covers all costs** of an apprenticeship program – but by *braiding* multiple sources, organizations can substantially reduce or eliminate out-of-pocket expenses. Braiding means using different funding streams in a coordinated way to support distinct pieces of a program. Below are general strategies and examples of braiding funding streams:

Combine Federal and State Funds

It is common to use **federal WIOA dollars alongside state grants**. For example, a state apprenticeship grant might pay for developing curriculum and partially subsidize apprentice wages, while WIOA covers supportive services (transportation, uniforms) and maybe takes on funding an additional cohort after the grant ends. Because WIOA is ongoing, it provides sustainability after one-time grant funds are used. *Important:* If using WIOA with other wage subsidies (state OJT or credits), coordinate the percentage each will cover.

Typically, an employer cannot be reimbursed for more than 100% of wages – so if a state program reimburses 50%, and WIOA could also reimburse 50%, they should split (25% each, for example) or cover different time periods to avoid double funding the same cost. USDOL has provided guidance encouraging co-enrollment of apprentices in multiple programs as long as costs are properly allocated. An example from **New America**: for a youth apprenticeship program, WIOA funds paid for the transportation costs for apprentices to get to worksites, while state education funds covered the classroom training – a clean braid where each source had a separate role.

Leverage Education Funding with Workforce Funding

Many successful models pair **education dollars (Perkins, dual enrollment, Pell)** with **workforce dollars (WIOA, state training grants)**. The education funds often cover instruction-related expenses, and the workforce funds cover employment-related expenses. For instance, in a manufacturing apprenticeship, a community college might use Perkins V funds to buy new welding machines for the training lab and waive tuition through dual enrollment or state waivers, while WIOA OJT reimburses the employer for wages during the initial training period. The apprentice thus learns on state-of-the-art equipment (thanks to Perkins) without paying tuition (thanks to dual enrollment/Pell), and the employer effectively pays half-wages initially (thanks to WIOA). This not only saves money but ensures quality training and buy-in from all parties.

Tax Credits and Grants

If your state offers a tax credit (like Colorado, Arkansas, and New York examples above) and also a grant or training fund, you can utilize both – they are not mutually exclusive. The tax credit usually comes after-the-fact (when filing taxes), whereas grants provide money up front or as reimbursements during the program. It's important to document the expenses covered by grants versus what you claim as a credit. Generally, tax credits can be seen as a "bonus" return on investment for the employer's share of costs. For example, an employer might pay apprentices and not get that reimbursed by any grant; at year's end the tax credit gives them back some of those wage costs. Meanwhile, any training costs they had (classes, equipment) might have been directly paid by a grant. Used together, the net cost of apprenticeship to the employer can be near zero.

Braiding for Supportive Services

Often overlooked, **supportive services** (transport, childcare, tools, etc.) can make or break apprenticeship completion, especially for low-income participants. These services can be braided from sources like WIOA, TANF, SNAP E&T, or state welfare-to-work programs. For instance, a single-parent apprentice might get childcare assistance funded by TANF while also receiving an apprenticeship scholarship funded by a state grant. Each funding stream addresses a different need of the apprentice. Many states allow supportive service funds to be combined with training funds as long as they're paying for different categories of expenses.

Sequence Funding for Different Phases

Another form of braiding is **sequencing** funds throughout the lifecycle of a program. A common pattern: use a **startup grant** to build the apprenticeship infrastructure (develop standards, recruit employers, maybe pay initial cohort wages), then transition to **sustainable funding** like Pell for ongoing instruction and WIOA for steady supply of participants. A program might start under a 4-year federal apprenticeship grant; once the grant ends, the state picks it up by providing a dedicated funding line or institutionalizing it into community college offerings. Apprentices who come in later might have a different mix of funding than those in the pilot cohort did. This is okay – braiding can happen over time as well. The key is to plan for sustainability by plugging in long-term funds (like formula education dollars or employer contributions) once demonstration funds run out.

Maintain Compliance

With multiple funding streams, **reporting and compliance** can get complex. It's critical to align your data collection with each funder's requirements. For example, you may need to report apprentice demographics and outcomes to a state grant program *and* separately report the same (or slightly different) data to WIOA's system if participants are co-enrolled. Make sure each apprentice signs all the necessary paperwork for each program (eligibility docs for WIOA, FERPA releases for education data sharing if needed, etc.). Keep meticulous financial records: if Perkins paid for half the instructor's salary and a state grant paid the other half, document those allocations clearly. Many organizations create a **funding matrix** for each apprentice or each cost category to track which source is covering it.

During audits, be prepared to show that no duplicate billing occurred. As long as you can demonstrate that each dollar was spent on an allowable purpose under a specific funding source, braiding is both legal and encouraged. USDOL has explicitly promoted "blending and braiding" webinars to help workforce grantees maximize impact – they want to see these funds complement each other to serve apprentices.

In summary, braiding funding streams requires **communication and partnership**: education institutions, workforce agencies, and employers must work together. But when done right, it creates a win-win: apprentices get more comprehensive support, employers lower their training costs, and funders see better outcomes (since the program is robust and well-supported).

Key Funding Streams Summary

Below is a high-level summary of major funding sources for apprenticeships and OJT, including their eligibility criteria, use cases, and oversight entities. This can serve as a quick reference to identify which funding might fit your program and how they can be combined:

Funding Source	**WIOA** (Adult, Dislocated Worker)
Type & Oversight	Federal formula (USDOL ETA) → State & local workforce boards. Local oversight by Workforce Development Boards.
Eligible Population/Entities	Adults (18+) with priority for low-income; Dislocated workers (laid-off, etc.). Enrollment via NCWorks/American Job Centers. Employers can benefit via OJT or incumbent worker training.
Use Cases in Apprenticeship/OJT	**Individual training accounts** – pay tuition for related instruction at approved providers. **On-the-Job Training (OJT)** – reimburse 50% (up to 75% in special cases) of apprentice/trainee wages during training. **Supportive services** – cover transportation, tools, childcare, etc. for apprentices. **Incumbent worker training** – cost-sharing to upskill current employees (often used for upgrading journeyworkers).
Key Requirements	Participants must meet eligibility (income/status) and be registered in the WIOA performance system. Training providers must be on ETPL for ITAs. Must track employment outcomes, median earnings, credential attainment for participants. OJT contracts require employer commitment to retain the worker.

Funding Source	WIOA Youth
Type & Oversight	Federal formula (USDOL) → State/local.
Eligible Population/Entities	Youth 16–24 with barriers (out-of-school youth focus; limited in-school youth eligibility).
Use Cases in Apprenticeship/OJT	**Fund pre-apprenticeship programs** (paid work experience, occupational skills training) for out-of-school youth to prepare for RA. Enroll youth directly into **Registered Apprenticeships** and support them with ITAs for related instruction or OJT wage subsidies to the employer. Provide mentoring, tutoring, and leadership development, alongside apprenticeship.
Key Requirements	75% of funds must serve out-of-school youth. Youth must have a qualifying barrier (dropout, foster, justice, low-income, etc.). Strong reporting on skill gains and credentials (RA completion can count). Parental consent needed for minors.

Funding Source	**Perkins V** (CTE)
Type & Oversight	Federal formula (USDOE OCTAE) → State Dept. of Education → school districts, community colleges.
Eligible Population/Entities	Secondary schools (CTE programs 9–12) and postsecondary CTE institutions (community/technical colleges). Special populations targeted for services (low-income, disabilities, etc.).
Use Cases in Apprenticeship/OJT	Improve or expand **CTE programs that feed apprenticeships** (develop new apprenticeship-aligned curricula in high schools/colleges). Fund **equipment, instructor salaries, curriculum** for high school or college programs that partner with apprenticeships (e.g., advanced manufacturing labs used by youth apprentices). Support **work-based learning** coordinators connecting students to apprenticeships.
Key Requirements	Funds flow to institutions, not individuals. Must be used for program improvement (not routine operational costs). Requires Comprehensive Local Needs Assessment and performance reporting on CTE concentrators (graduation, placement, etc.). Encourages stakeholder consultation (including industry).

Funding Source	Federal Pell Grants
Type & Oversight	Federal entitlement (US Dept. of Ed Student Aid) → individuals (via colleges).
Eligible Population/Entities	Low-income postsecondary students without a bachelor's. Must be in an Title IV-eligible program (for-credit program ≥15 weeks).
Use Cases in Apprenticeship/OJT	Apprentices use Pell to pay **college tuition, fees, and books** for their related instruction including short-term programs starting July 2026. Can cover **full cost of associate degree or certificate** for an apprentice, up to $7,395/year (amount varies by need and enrollment status). Frees up employer/union funds that would otherwise go to tuition, allowing investment in on-the-job aspects instead.
Key Requirements	Students must file FAFSA; award based on Expected Family Contribution (now Student Aid Index) and enrollment level. Program entities must be accredited and meet length requirements (no short <15-week courses unless law changes). Satisfactory Academic Progress (SAP) must be maintained. Pell can be combined with employer tuition assistance, but total aid can't exceed cost of attendance.

Funding Source	Dual Enrollment HS+College
Type & Oversight	State-funded (Dept. of Education and/or local school district oversight). Varies by state; in NC, administered by Community College System (Career & College Promise), in FL by FLDOE (Dual Enrollment) etc.
Eligible Population/Entities	High school students (usually 11th–12th grade, sometimes younger) meeting college readiness criteria. Schools and colleges must have articulation agreements.
Use Cases in Apprenticeship/OJT	Allows youth apprentices or pre-apprentices to take **college-level courses tuition-free** while in high school, earning credit toward their apprenticeship's RTI. Covers **tuition, and sometimes books/fees**, for courses at community colleges or technical centers – cost is borne by state or district, not the student or employer. Facilitates **early start on apprenticeship**: students can complete a substantial portion of technical training before high school graduation, shortening the post-HS apprenticeship duration.
Key Requirements	Students must maintain a certain GPA and meet any placement test requirements. States often limit the number of courses or require courses to fulfill HS graduation requirements. Funding is subject to annual state budget – e.g., FL provides districts a budget based on dual enrollment FTE. Schools must submit dual enrollment agreements and data to the state each year.

Funding Source	Registered Apprenticeship State Grants (e.g., Apprenticeship Expansion Grants)
Type & Oversight	State-administered (often via State DOL or Community College System). Funding may come from federal grants (SAE/ABA) or state appropriations.
Eligible Population/Entities	Varies by program – could be apprenticeship sponsors (employers, labor-management partnerships), training providers, or intermediaries. Often must focus on new programs, underrepresented groups, or high-demand industries.
Use Cases in Apprenticeship/OJT	**Seed funding** to develop new RA programs – hire staff, develop curriculum, partnership building. **Apprentice support** – some grants subsidize a portion of apprentice wages or provide stipends, especially for underrepresented apprentices (e.g., supportive services or even tools/equipment for apprentices). **Capacity building** – creating apprenticeship hubs, marketing/outreach campaigns (e.g., funds to host apprenticeship job fairs, develop matching platforms).
Key Requirements	Competitive application typically. Deliverables (number of apprentices registered, demographic goals, new occupations created) are specified. Must comply with grant management rules and submit regular reports to the state and possibly USDOL. Time-limited (usually 1–3 year project periods).

Funding Source	State Apprenticeship Tax Credits
Type & Oversight	State tax authority oversight (Dept. of Revenue/Taxation) often in partnership with apprenticeship agency for certification.
Eligible Population/Entities	Employers who hire Registered Apprentices. Some states require target groups (e.g., youth or certain occupations). Often capped per apprentice and per employer.
Use Cases in Apprenticeship/OJT	**Reduces employer's state tax liability** for each apprentice hired/trained. Essentially rebates some of the training cost via the tax code. Incentivizes hiring of **specific populations** (e.g., CO's credit up to $12.6k/apprentice encourages longer retention; NY's credit gives more for disadvantaged youth). Can offset wages or other costs *after* they've been incurred, improving ROI for employers especially in small businesses.
Key Requirements	Businesses must apply for the credit (often annually) and provide documentation of the apprentice (registration info, length of employment, wages). Credits may have statewide annual caps (first-come, first-served or prorated if exceeded). Non-refundable vs refundable varies by state (some credits can only offset tax owed, others will pay out the excess). Sunset dates are common – must monitor legislative renewals.

Funding Source	Incumbent Worker Training Funds (e.g., WEDnetPA, Colorado First, etc.)
Type & Oversight	State or local economic development/workforce agencies. PA's WEDnetPA overseen by Dept. of Community & Economic Dev.; other states via community college systems.
Eligible Population/Entities	Employers (usually in targeted industries) training their existing employees. Often requires jobs to be in-state and meet wage thresholds.
Use Cases in Apprenticeship/OJT	**Upskill current employees through apprenticeship** – e.g., promote workers into apprentice roles (from helper to technician) and get reimbursement for their class costs or trainer fees. Cover **short-term technical courses** that apprentices (who are already employees) need, such as specific certifications or advanced modules not covered by apprenticeship tuition. Encourage **SMEs** to adopt apprenticeship by lowering cost for training incumbent staff into higher-skilled positions (backfilling with new hires).
Key Requirements	Typically a reimbursement model – company pays for training then submits receipts for reimbursement up to a limit (e.g., $2k/employee in PA). Training must be skill-based (not general orientation). Some programs exclude certain soft skills or require training be vendor-provided or through an educational institution. Annual application and reporting of outcomes (how training improved productivity, etc.).

Key Funding Streams

Funding Source	GI Bill – Apprenticeship/OJT
Type & Oversight	Federal VA benefit. Oversight by State Approving Agency for Veterans Education (in each state).
Eligible Population/Entities	U.S. military veterans (and eligible dependents) who have GI Bill entitlement. The apprenticeship program and employer must be approved by the State Approving Agency (simple process if RA)
Use Cases in Apprenticeship/OJT	Provides a **monthly housing allowance** and book stipend to veteran apprentices, supplementing their apprentice wages. For Post-9/11 GI Bill: ~100% of local E-5 with dependents BAH for first 6 months, then stepping down to 20% by month 31. This can equal thousands of dollars per month initially paid directly to the veteran. Helps veterans transition by making apprenticeship financially feasible (they can use GI Bill for living costs while learning). No direct cost to employer or training provider, but can improve veteran recruitment and retention in programs.
Key Requirements	Employer/sponsor must file a one-time registration of the apprenticeship with SAA/VA. Veterans must verify their hours each month to the VA. The stipend amount reduces as the veteran's wage increases (assuming wage progression in RA). A vet generally has 36 months of benefits – using them for apprenticeship spends that entitlement (but they are being paid while training, so it's efficient use). Programs must agree to notify VA of completion or if apprentice drops out.

Table Notes: This table is not exhaustive of all funding in each state, but covers major categories. Oversight indicates who manages the funds and can provide guidance/compliance info. Always consult the latest state and federal guidelines, as amounts and rules (especially for state programs) can change with new legislation or budget cycles.

Conclusion and Future Outlook

Funding for apprenticeships and on-the-job training is an abundant and multifaceted system — reflecting a broad consensus that these "earn-and-learn" models are critical to workforce development. **Organizations have an unprecedented opportunity to launch and grow apprenticeship programs by tapping into these resources.** Federal support via WIOA, Pell, and Perkins remains strong, and recent federal grants specifically for apprenticeships are injecting new life into the system. At the same time, states like Arkansas, Colorado, Florida, Indiana, New York, Pennsylvania, and North Carolina are innovating with their own investments. From hefty employer incentives and tax breaks to competitive grants and tuition waivers, these states are addressing local workforce needs and priority industries.

A few trends to watch going forward:

Short-term Credentials and Pell

Congress enabled Pell Grants for short-term programs with the passage of the One Big Beautiful Bill Act in July 2025. This will allow for more apprenticeship pathways to be created in partnership with community colleges, as funding for even 3–6 month technical courses would open up. This could particularly boost pre-apprenticeship and quick upskilling programs.

WIOA Reauthorization

Currently, WIOA reauthorization is pending. Congress is considering proposals to expand apprenticeship integration and modify funding and reporting rules. It could also increase funding caps or make incumbent worker training easier to use. Providers should monitor legislative updates and be prepared to adjust as new rules are passed.

State Expansions

States such as North Carolina and Colorado have launched major apprenticeship incentives and tax credits. We anticipate more states introducing apprenticeship tax credits or grant programs, especially as federal stimulus funds wind down and states look to use budget surpluses for workforce training. For instance, watch for states not covered here – e.g., **California** has a huge new apprenticeship funding plan for non-trades, **Maryland** and **Virginia** recently expanded apprenticeship tax credits, etc.

Braiding as Norm

The expectation is that no single source will cover everything, but together they cover most things. Workforce professionals should increasingly become "funding navigators," stitching together packages for each apprentice or program. This may lead to more formal inter-agency agreements (for example, an MOU between a state's community college system and workforce agency to co-fund apprenticeships, sharing data and outcomes). Progress in data integration has allowed systems to be developed to count an "apprentice" once but satisfy reporting for multiple funders. This reduces duplicated paperwork for providers.

Equity and Target Populations

Many funding sources carry priorities for serving certain groups – youth, underrepresented minorities, rural residents, veterans, etc. Programs that can demonstrate how they include these groups are more competitive for grants and more likely to receive discretionary funding. While the Biden administration focused on equity through initiatives like the Equity in Apprenticeship center, the current administration's focus may differ. Providers should design apprenticeships with supportive services and outreach to underserved communities — this remains good practice, but many funding streams (from PAsmart to DOL grants) may have updated requirements.

In conclusion, while the web of funding can seem complex, it actually provides flexibility. **Training providers and workforce professionals can mix and match sources to fit their apprenticeship model – whether it's a union construction program needing classroom subsidies, a high-tech apprenticeship at a startup needing wage support, or a youth apprenticeship weaving into a high school schedule.** By understanding the "rules of the money" and maintaining strong partnerships (with colleges, workforce boards, and state agencies), you can ensure your apprenticeships are financially sustainable and even cost-neutral for participants and employers. There is a wealth of opportunity in this arena: substantial funding is on the table and program innovation is being encouraged and rewarded. Use this guide as a roadmap to navigate those opportunities – and don't hesitate to reach out to the oversight agencies mentioned for technical assistance. They are increasingly geared up to help you succeed in deploying these funds to train the next generation of skilled workers.

Thank you!

For further information,
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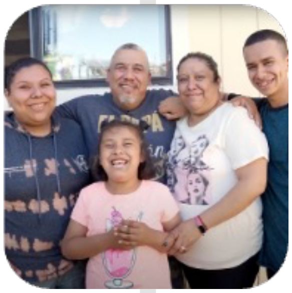

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