

By: West, Royce, Brimer

S.B. No. 1096

A BILL TO BE ENTITLED

AN ACT

relating to the operation, funding, and administration of the smart jobs fund program.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Chapter 302, Labor Code, is amended by adding Subchapter F to read as follows:

SUBCHAPTER F. SMART JOBS FUND PROGRAM

Sec. 302.101. DEFINITIONS. In this subchapter:

(1) "County average weekly wage" means the average weekly wage paid by all employers in a county that are covered by unemployment compensation insurance, as determined by the commission for the most recent period for which data is available.

(2) "Employee" means an individual who performs services for another under a contract of hire, whether express or implied, or oral or written.

(3) "Employer" means a person that employs one or more employees.

(4) "Existing employer" means an employer that:

(A) has been liable to pay contributions under Subtitle A for more than one year;

(B) has employees; and

(C) is in compliance with the reporting and payment requirements of Subtitle A, as determined by the commission.

1 (5) "Group health benefit plan" means:

2 (A) a health plan provided by a health
3 maintenance organization established under Chapter 843, Insurance
4 Code;

5 (B) a health benefit plan approved by the
6 commissioner of insurance; or

7 (C) a self-funded or self-insured employee
8 welfare benefit plan that provides health benefits and is
9 established in accordance with the Employee Retirement Income
10 Security Act of 1974 (29 U.S.C. Section 1001 et seq.).

11 (6) "In-kind contribution" means a noncash
12 contribution of goods and services provided by an employer as all or
13 part of the employer's matching share of a grant or project.

14 (7) "Job" means employment on a basis customarily
15 considered full-time for the applicable occupation and industry.

16 (8) "Large business" means a business entity that
17 employs at least 500 employees.

18 (9) "Medium business" means a business entity that
19 employs more than 99 but fewer than 500 employees.

20 (10) "Micro-business" means a business entity that
21 employs not more than 20 employees.

22 (11) "Minority employer" means a business entity at
23 least 51 percent of which is owned by minority group members or, in
24 the case of a corporation, at least 51 percent of the shares of
25 which are owned by minority group members and that:

26 (A) is managed and, in daily operations, is
27 controlled by minority group members; and

1 (B) is a domestic business entity with a home or
2 branch office located in this state and is not a branch or
3 subsidiary of a foreign corporation or other foreign business
4 entity.

5 (12) "Minority group members" includes:

6 (A) African Americans;

7 (B) American Indians;

8 (C) Asian Americans;

9 (D) Mexican Americans and other Americans of
10 Hispanic origin; and

11 (E) women.

12 (13) "Program" means the smart jobs fund program
13 created under this subchapter.

14 (14) "Project" means a specific employment training
15 project developed and implemented under this subchapter.

16 (15) "Provider" means a person that provides
17 employment-related training. The term includes employers,
18 employer associations, labor organizations, community-based
19 organizations, training consultants, public and private schools,
20 technical institutes, junior or community colleges, senior
21 colleges, universities, and career schools and colleges, as defined
22 by Section 132.001, Education Code.

23 (16) "Qualified job" means a job for which an
24 application has been submitted and that:

25 (A) pays at least 100 percent of the county
26 average weekly wage; and

27 (B) is covered by a group health benefit plan for

1 which the business offers to pay at least 50 percent of the premiums
2 or other charges assessed for employee-only coverage under the
3 plan, regardless of whether an employee may voluntarily waive the
4 coverage.

5 (17) "Small business" means a business entity that
6 employs more than 20 but fewer than 100 employees.

7 (18) "Trainee" means a participant in a project funded
8 under this subchapter.

9 (19) "Wages" means all forms of compensation or
10 remuneration, excluding benefits, payable for a specific period to
11 an employee for personal services rendered by that employee.

12 Sec. 302.102. SMART JOBS FUND PROGRAM; PURPOSE;
13 ADMINISTRATION. (a) The smart jobs fund program is created in the
14 division as a workforce development incentive program to enhance
15 employment opportunities for residents of this state and to
16 increase the job skills of the existing workforce by providing job
17 training assistance to businesses operating in, or relocating to,
18 this state.

19 (b) The program shall award grants for the creation and
20 retention of qualified jobs. At least 60 percent of the money spent
21 under the program shall be used for projects that assist existing
22 employers. At least 20 percent shall be used for employers that
23 relocate operations to this state.

24 (c) The commission by rule shall develop and adopt a scoring
25 system that evaluates the economic impact of grant applications and
26 reflects the criteria set forth in this subchapter. The executive
27 director shall use the scoring system and a competitive process to

1 award grants. It is the intent of the legislature that, to the
2 greatest extent practicable:

3 (1) money from the smart jobs fund be spent:

4 (A) in all areas of this state; and

5 (B) in approximate proportion to each region's
6 share of the state's population, civilian labor force, unemployed,
7 and submission of grant applications for qualified jobs; and

8 (2) grants shall be awarded to micro-businesses, small
9 businesses, medium businesses, large businesses, and minority
10 employers in a manner proportionate to the number of persons
11 employed by those categories of businesses.

12 (d) The commission shall determine appropriate means to
13 accomplish the goals of the program. As necessary to implement
14 those goals, the commission may work in conjunction with the
15 comptroller.

16 (e) The division shall administer the program.

17 (f) The executive director may employ personnel as
18 necessary to administer the program.

19 (g) In implementing provisions under this subchapter
20 regarding the classification of this state into regions, the
21 division shall use the uniform service regions established by the
22 comptroller under Section 120, Article V, Chapter 19, Acts of the
23 72nd Legislature, 1st Called Session, 1991 (the General
24 Appropriations Act).

25 Sec. 302.103. RULES. The commission shall adopt rules as
26 necessary to implement the program.

27 Sec. 302.104. FUNDING; RAINY DAY FUND. (a) The smart jobs

1 fund is established as a special trust fund in the custody of the
2 comptroller separate and apart from all public money or funds of
3 this state. The fund is composed of:

4 (1) gifts, grants, and other donations received by the
5 division for the fund; and

6 (2) any amounts appropriated by the legislature for
7 the program from the general revenue fund.

8 (b) The program is funded through the smart jobs fund.

9 (c) Money in the smart jobs fund may be used for program
10 administration, marketing expenses, and evaluation of the program.
11 These costs of the division in any fiscal year may not exceed the
12 lesser of:

13 (1) five percent of the total amount appropriated for
14 the program for that fiscal year; or

15 (2) \$1.5 million.

16 (d) The smart jobs rainy day fund is established as a
17 special trust fund in the custody of the comptroller separate and
18 apart from all public money or funds of this state. The smart jobs
19 rainy day fund is composed of:

20 (1) money returned by employers or recouped by the
21 program under Section 302.111(d); and

22 (2) any other money received by the division for
23 deposit in that fund.

24 (e) The commission may authorize the executive director to
25 use money in the smart jobs rainy day fund if:

26 (1) the commission determines, after consulting with
27 the comptroller, that the smart jobs fund contains insufficient

1 money to cover the amounts appropriated by the legislature to
2 operate the program; and

3 (2) the commission has determined that:

4 (A) the unemployment rate in this state is 125
5 percent of the average unemployment rate in this state during the
6 preceding three years; or

7 (B) a severe economic dislocation is occurring in
8 a specific region of this state.

9 (f) The commission by rule shall define "severe economic
10 dislocation" for purposes of Subsection (e). In adopting a
11 definition, the commission shall consider employment-related
12 factors, including:

13 (1) massive layoffs in a region of this state caused
14 by:

15 (A) the closure of military bases;

16 (B) the effect of the implementation of the North
17 American Free Trade Agreement;

18 (C) employer relocations; or

19 (D) other analogous situations; and

20 (2) the number of jobs lost in a region compared to the
21 region's usual rates of employment.

22 (g) If the commission approves the use of money from the
23 smart jobs rainy day fund because of a severe economic dislocation
24 occurring in a specific region of the state, the executive director
25 may use the money allocated from the smart jobs rainy day fund
26 solely for projects located in the affected region.

27 (h) Notwithstanding any other provision of this section,

1 the total combined amount spent in any fiscal year from the smart
2 jobs fund and the smart jobs rainy day fund may not exceed the
3 amount appropriated by the legislature for that fiscal year for the
4 operation of the program.

5 (i) If, during any three consecutive months, the balance in
6 the smart jobs fund or the smart jobs rainy day fund exceeds 0.15
7 percent of the total taxable wages for the four calendar quarters
8 ending the preceding June 30, as computed under Section 204.062(c),
9 the executive director shall immediately transfer the excess from
10 the applicable fund to the unemployment compensation fund created
11 under Section 203.021.

12 Sec. 302.105. DESIGNATION OF PROGRAM FUNDS FOR ECONOMIC
13 DEVELOPMENT. A percentage of money in the smart jobs fund
14 determined by the General Appropriations Act shall be transferred
15 to the office of the governor for the purpose of attracting
16 businesses for economic development through the use of the program.
17 The governor shall determine the qualified recipients of the money
18 for the purpose of attracting businesses to the state in accordance
19 with commission rules and requirements for smart jobs grants. The
20 resulting smart jobs grants are exempt from Section 302.102(c) and
21 administered by the division.

22 Sec. 302.106. GRANTS. (a) The executive director may award
23 grants for projects that meet the requirements of this subchapter.

24 (b) A grant may not be awarded unless each employer
25 participating in the project certifies that:

26 (1) a job or job opening exists or will exist at the
27 end of the project for which the grant is sought; and

1 (2) the job or job opening will be filled by a
2 participant in the project.

3 (c) A grant may not be awarded unless each employer
4 participating in the project certifies that each job under the
5 project is covered by a group health benefit plan for which the
6 business pays at least 50 percent of the premiums or other charges
7 assessed for employee-only coverage under the plan.

8 (d) A grant may not be awarded for a project under this
9 section unless each employer participating in the project certifies
10 that the starting wage for a new job created through the project
11 will be equal to or greater than the county average weekly wage for
12 the county in which the job or project is located and that the wage
13 for a job existing on the date on which the project is scheduled to
14 begin will be increased to the greater of:

15 (1) three percent for a micro-business or small
16 business or five percent for a business that is not a micro-business
17 or small business over the wage in effect on the day before the date
18 on which the project is scheduled to begin for that job; or

19 (2) 100 percent of the county average weekly wage for
20 the county in which the job or project is located.

21 (e) An employer may apply for a grant under this subchapter.
22 On request by an employer, the executive director may grant a
23 modification of the requirements provided by Subsection (d) and
24 Section 302.109, if the commission has made the determination under
25 Section 302.104(e)(2).

26 (f) Grants awarded under this section for which the
27 executive director has modified the requirements of Subsection (d)

1 may not, in any fiscal year, exceed 10 percent of the total dollar
2 amount of grants awarded under the program in that year.

3 (g) Unless modified by the executive director under rules
4 adopted by the commission, a grant may not be awarded for a project
5 unless each employer participating in the project certifies that it
6 will continue to spend on nonmanagerial training an amount from
7 private sources equal to the average amount spent by that employer
8 on such training for the most recent two-year period.

9 (h) A grant may not be awarded for a project if the project
10 will impair existing contracts for services or collective
11 bargaining agreements, except that a project inconsistent with the
12 terms of a collective bargaining agreement may be undertaken with
13 the written concurrence of the collective bargaining unit and the
14 employer or employers who are parties to the agreement.

15 Sec. 302.107. GRANT APPLICATION; AWARDING OF GRANTS. (a)
16 The following may apply for a grant under this subchapter:

17 (1) one or more employers to secure training; or
18 (2) one or more employers acting in partnership with
19 an employer organization, labor organization, or community-based
20 organization to secure training.

21 (b) A grant application must be filed with the division in a
22 form approved by the executive director and, except as provided by
23 Subsection (c), must include a complete business and training plan,
24 including:

25 (1) the number and kind of jobs available;
26 (2) the skills and competencies required for the
27 identified jobs;

1 (3) the wages to be paid to trainees on successful
2 completion of the project;

3 (4) the goals, objectives, and outcome measures for
4 the project;

5 (5) the proposed curriculum for the project; and

6 (6) the projected cost per person enrolled, trained,
7 hired, and retained in employment.

8 (c) The commission by rule may exempt a micro-business from
9 the requirement to submit a business and training plan that
10 complies with Subsection (b). The commission by rule shall
11 establish a simplified application process for grant applications
12 from micro-businesses.

13 (d) The division may provide assistance with the
14 application process to all applicants and shall give priority to
15 assisting applicants who are small businesses or micro-businesses.

16 (e) The division shall minimize the length of the
17 application form and shall simplify as much as possible the review
18 process for grant applications.

19 (f) The division shall notify each applicant as to whether
20 the application is complete not later than the fifth business day
21 after the date on which the application is received by the division.

22 Sec. 302.108. PARTICIPATION IN ADDITIONAL PROGRAMS;
23 APPLICATION REQUIREMENTS. (a) A business may not apply both for a
24 grant under this subchapter and to a public community or technical
25 college for customized training and assessment from the college
26 through a grant issued to the college under the skills development
27 fund program established under Chapter 303 unless the business and

1 the college file an application for concurrent participation in
2 both programs.

3 (b) The commission by rule shall establish the requirements
4 for an application subject to this section.

5 Sec. 302.109. MATCHING REQUIREMENTS; EXEMPTIONS. (a)
6 Money provided under a grant for a project must be matched by
7 private funds provided by the employer benefiting from the project
8 in an amount at least equal to the amount provided by the grant.

9 (b) The commission may adopt rules modifying the
10 requirements of Subsection (a) for employers that are small
11 businesses or micro-businesses and may also adopt rules modifying
12 the requirements of Subsection (a) for projects that provide
13 significant economic benefits to an entire region of the state.

14 (c) Employer matches may include documented in-kind
15 contributions as well as wages paid to trainees during the training
16 period.

17 Sec. 302.110. TRAINEES. The program shall give priority to
18 residents of this state, including residents formerly sentenced to
19 the institutional division or the state jail division of the Texas
20 Department of Criminal Justice.

21 Sec. 302.111. CONTRACTS. (a) The executive director may
22 approve any project that meets the requirements of this subchapter.
23 If a project is approved and funds are available, the division shall
24 enter into a contract with the grant applicant and with each
25 employer participating in the project. The contract must specify
26 those skills and competencies to be gained as a result of the
27 project.

1 (b) Reimbursable costs in the contract may include only
2 those expenses related to direct training in job-related basic
3 skills, including literacy skills, job-related vocational skills,
4 and administrative costs. Total administrative costs for any
5 particular project may not exceed 10 percent of the project's
6 expenditures.

7 (c) Each contract must provide a schedule for payment of
8 smart jobs fund money. Twenty-five percent of allowable
9 expenditures shall be withheld by the division from each scheduled
10 payment for 90 days after the date of completion of the contract.
11 If at least 85 percent of the trainees in the project have been
12 retained in employment for that 90-day period, other than trainees
13 who leave the employment voluntarily for better-paying jobs, and
14 have successfully achieved the skills and competencies, wage
15 requirements, and other contractual obligations, the amount of
16 allowable expenditures withheld shall be remitted to the employer.
17 The commission by rule shall establish procedures as necessary to
18 verify that a trainee has left the employment for a better-paying
19 job. If there is a negative balance, the employer is liable for the
20 amount of the negative balance and shall remit that amount to the
21 division not later than the 30th day after the date on which the
22 employer is notified of the negative balance by the division.

23 (d) Each contract must state the term of the grant award. A
24 grant recipient who does not use all money awarded under the grant
25 for the prescribed purpose within the allotted term shall reimburse
26 the program by submitting the appropriate amount to the executive
27 director not later than the 30th day after the expiration date of

1 the term of the grant award. The executive director shall remit
2 money received under this subsection to the comptroller for deposit
3 in the smart jobs rainy day fund.

4 Sec. 302.112. SMART JOBS PROGRAM CONTRACT PROVISIONS. The
5 commission shall by rule require each smart jobs contract to have:

6 (1) clearly defined goals, outputs, and measurable
7 outcomes that directly relate to program objectives;

8 (2) clearly defined sanctions for noncompliance with
9 contract terms; and

10 (3) clearly specified accounting, reporting, and
11 auditing requirements for funds received under program contracts.

12 Sec. 302.113. SMART JOBS PROGRAM MONITORING PRACTICES. The
13 commission by rule shall adopt program monitoring practices that
14 include:

15 (1) risk assessment to determine which contracts have
16 the highest risk for fraud and abuse; and

17 (2) a method to obtain and evaluate program cost
18 information to ensure all costs, including administrative costs,
19 are reasonable and necessary to achieve program objectives.

20 Sec. 302.114. ANNUAL REPORT. (a) The commission shall
21 report to the governor and the legislature at the end of each fiscal
22 year on the status of the program.

23 (b) The annual report must include for that fiscal year:

24 (1) the total number of applications submitted, the
25 total number of applications approved, and the total number of
26 applications rejected, reported by region of the state and by size
27 of business;

1 (2) the number of employers receiving grants under the
2 program reported by region of the state and the percentage that
3 number represents of the total number of employers receiving grants
4 under the program on a statewide basis;

5 (3) the total amount of money awarded in each region of
6 the state and the percentage that amount represents of the total
7 amount of money awarded on a statewide basis;

8 (4) a comparison of the percentage of total dollars
9 awarded to each region versus each region's percentage of:

10 (A) the state's population;

11 (B) the civilian labor force;

12 (C) the number of unemployed persons; and

13 (D) the number of eligible grant applications for
14 qualified jobs submitted to the division;

15 (5) the value, expressed in dollars and as a
16 percentage of total training expenditures, of matching
17 contributions made by employers;

18 (6) the number of businesses, classified by
19 micro-businesses, small businesses, medium businesses, and large
20 businesses, that receive grants under the program reported by
21 region of the state and business size and the percentage that number
22 represents of the total number of each of those categories of
23 businesses receiving grants under the program on a statewide basis;

24 (7) the total amount of money awarded to
25 micro-businesses, small businesses, medium businesses, and large
26 businesses, reported by region of the state and business size, and
27 the percentage that amount represents of the total amount of money

1 awarded to those businesses on a statewide basis;

2 (8) the number of businesses located in enterprise
3 zones, as that term is defined by Chapter 2303, Government Code,
4 that receive grants under the program and the total amount of the
5 grants awarded to those businesses;

6 (9) the total number of jobs created, enhanced, or
7 retained under the program:

8 (A) by region of the state;

9 (B) by occupation, classified by the applicable
10 two-digit standard industrial classification;

11 (C) by wage level; and

12 (D) whether attributable to:

13 (i) relocation of businesses to this state,
14 including the percentage the number attributable to the relocation
15 of businesses represents of the total number of jobs created,
16 enhanced, or retained under the program on a statewide basis; or

17 (ii) training or retraining of employees of
18 existing employers, including the percentage that the number
19 attributable to the training or retraining of employees of existing
20 employers represents of the total number of jobs created, enhanced,
21 or retained under the program on a statewide basis;

22 (10) the average and median weekly wage levels of
23 trainees entering or returning to the workforce, broken down by
24 current employees undergoing retraining and new hires, at three
25 months and one year after the conclusion of their training;

26 (11) the number and percentage of participating
27 employers that provide workers' compensation insurance coverage

1 and the number and percentage of employees covered;

2 (12) the number and percentage of employees covered by
3 the group health benefit plan offered by the employer;

4 (13) the number and percentage of women, disabled
5 persons, and minority group members receiving grants under the
6 program as employers, participating as trainees in training
7 projects, or participating in the program as providers, broken out
8 by group;

9 (14) a list of modifications granted under Section
10 302.106(e), the name of the project for which the modification was
11 granted, and the reason the executive director granted the
12 modification; and

13 (15) the number of trainees who have left employment
14 with a grant recipient because the trainee has obtained a
15 better-paying job, as verified under Section 302.111(c).

16 (c) In addition to the information required under
17 Subsection (b), the commission shall include in the annual report,
18 for each region of the state in which a grant is awarded, the
19 percentage paid by employers in that region of the total amount of
20 unemployment insurance contributions paid by employers during the
21 preceding calendar year.

22 Sec. 302.115. EXPIRATION. This subchapter expires
23 December 31, 2009.

24 SECTION 2. Subchapter A, Chapter 204, Labor Code, is
25 amended by adding Section 204.0065 to read as follows:

26 Sec. 204.0065. TEMPORARY INITIAL CONTRIBUTION RATE.
27 Notwithstanding Section 204.006, on and after January 1, 2006, a

1 person's contribution rate shall be two and six-tenths percent
2 until the date the experience rate computed under Section 204.041
3 takes effect for the employer. This section expires December 31,
4 2009.

5 SECTION 3. Subchapter D, Chapter 204, Labor Code, is
6 amended by adding Section 204.0625 to read as follows:

7 Sec. 204.0625. TEMPORARY ADJUSTMENT TO REPLENISHMENT TAX
8 RATE. On and after January 1, 2006, the replenishment tax rate
9 computed under Section 204.062 shall be adjusted to a rate computed
10 by subtracting 0.1 from the quotient computed under Section
11 204.062(a). This section expires December 31, 2009.

12 SECTION 4. Chapter 204, Labor Code, is amended by adding
13 Subchapter G to read as follows:

14 SUBCHAPTER G. EMPLOYMENT TRAINING INVESTMENT ASSESSMENT; FUNDS

15 Sec. 204.121. EMPLOYMENT TRAINING INVESTMENT ASSESSMENT.

16 (a) In addition to any other taxes imposed under this subtitle, an
17 employment training investment assessment is imposed on each
18 employer paying contributions under this subtitle as a separate
19 assessment of 0.1 percent of wages paid by the employer.

20 (b) The commission shall deposit the revenue from the
21 employment training investment assessment to the credit of the
22 holding fund created under Section 204.122.

23 (c) The employment investment training assessment is due at
24 the same time, collected in the same manner, and subject to the same
25 penalties and interest as other contributions assessed under this
26 subtitle.

27 Sec. 204.122. HOLDING FUND. (a) The holding fund is a

1 special trust fund in the custody of the comptroller separate and
2 apart from all public money or funds of this state.

3 (b) The comptroller shall administer the holding fund in
4 accordance with the directions of the commission. Interest
5 accruing on amounts in the holding fund shall be deposited
6 quarterly to the credit of the compensation fund.

7 Sec. 204.123. TRANSFER TO SMART JOBS FUNDS, SKILLS
8 DEVELOPMENT FUND, AND COMPENSATION FUND. (a) If, on September 1 of
9 a year, the commission determines that the amount in the
10 compensation fund will exceed 100 percent of its floor as computed
11 under Section 204.061 on the next October 1 computation date, the
12 commission shall transfer from the holding fund created under
13 Section 204.122:

14 (1) 50 percent of the amount in the holding fund to the
15 smart jobs fund created under Section 302.104;

16 (2) 30 percent of the amount in the holding fund to the
17 skills development fund created under Section 303.003; and

18 (3) 20 percent of the amount in the holding fund to the
19 smart jobs rainy day fund created under Section 302.104.

20 (b) If, on September 1 of a year, the commission determines
21 that the amount in the compensation fund will be at or below 100
22 percent of its floor as computed under Section 204.061 on the next
23 October 1 computation date, the commission shall transfer to the
24 compensation fund as much of the amount in the holding fund as is
25 necessary to raise the amount in the compensation fund to 100
26 percent of its floor, up to and including the entire amount in the
27 holding fund. The commission shall transfer any remaining balance

1 in the holding fund to the smart jobs fund, the skills development
2 fund, and the smart jobs rainy day fund in the percentages
3 prescribed by Subsection (a).

4 Sec. 204.124. EXPIRATION. This subchapter expires December
5 31, 2009.

6 SECTION 5. Section 19.011(a), Education Code, is amended to
7 read as follows:

8 (a) In order to achieve the goals stated in Section 19.003,
9 the district with the cooperation of the Health and Human Services
10 Commission, the Texas Workforce Investment Council, the Texas
11 ~~[Department of]~~ Economic Development and Tourism Office, the Texas
12 Workforce Commission, and the department shall provide persons
13 confined or imprisoned in the department:

14 (1) information from local workforce and development
15 boards on job training and employment referral services; ~~[and]~~

16 (2) information on the tax refund voucher program
17 under Subchapter H, Chapter 301, Labor Code; and

18 (3) information on the smart jobs program under
19 Subchapter F, Chapter 302, Labor Code.

20 SECTION 6. Section 2308.308, Government Code, is amended to
21 read as follows:

22 Sec. 2308.308. PUBLIC COMMUNITY COLLEGE. A public
23 community college shall promptly provide workforce training and
24 services that are requested:

25 (1) by a board if the need for the training and
26 services is based on the labor market information system available
27 for the area;

1 (2) by employers located in the college's taxing
2 district when the request is presented directly to the college by
3 the employers or through the board; or

4 (3) as part of economic development incentives
5 designed to attract or retain an employer, including incentives
6 offered under the smart jobs fund program under Subchapter F [~~F~~],
7 Chapter 302, Labor Code [~~481~~].

8 SECTION 7. Section 303.005, Labor Code, is amended to read
9 as follows:

10 Sec. 303.005. PARTICIPATION IN ADDITIONAL PROGRAMS;
11 APPLICATION REQUIREMENTS. An employer may not apply both to a
12 public community or technical college for customized training and
13 assessment from the college through a grant issued to the college
14 under the skills development fund program established under this
15 chapter and for a grant under the smart jobs fund program
16 established under Subchapter F [~~F~~], Chapter 302 [~~481, Government~~
17 ~~Code~~], unless the employer and the college file an application for
18 concurrent participation in both programs that complies with
19 Section 302.108 [~~481.1565, Government Code~~].

20 SECTION 8. Section 306.007(a), Labor Code, is amended to
21 read as follows:

22 (a) To assist in the reintegration into the labor force of
23 persons formerly sentenced to the institutional division or the
24 state jail division, the commission through Project RIO shall
25 provide:

26 (1) to those persons:

27 (A) information from local workforce development

boards on job training and employment referral services;

(B) information from the Department of State Health Services [~~Texas Commission on Alcohol and Drug Abuse~~] on substance abuse treatment services;

(C) information from the Texas Department of Housing and Community Affairs on housing services;

(D) information from the Texas Veterans Commission on services for veterans; and

(E) information on tax refund voucher programs under Subchapter H, Chapter 301; and

(2) to the employers and potential employers of those persons:

(A) information [~~from the Texas Department of Economic Development~~] on the enterprise zone program under Chapter 2303, Government Code; ~~and~~

(B) information from local workforce development boards on services listed in Section 2308.304, Government Code; and

(C) information on the smart jobs fund program under Subchapter F, Chapter 302.

SECTION 9. The Texas Workforce Commission shall adopt rules to implement Subchapter F, Chapter 302, Labor Code, as added by this Act, not later than December 31, 2005.

SECTION 10. This Act takes effect September 1, 2005.