

## **BILL ANALYSIS**

C.S.H.B. 2478  
By: Alvarado  
Economic & Small Business Development  
Committee Report (Substituted)

### **BACKGROUND AND PURPOSE**

While the global economic downturn affected most Texans, not all Texans were affected equally. Interested parties contend that for Texas to remain economically competitive, the state must do all it can to obtain, provide, and act on useful data concerning shortages of high-wage, high-demand occupations, especially in the industrial job sector.

In its report to the 82nd Legislature, the House Interim Committee on Manufacturing recommended that the legislature identify current and potential job shortages by class and develop additional training capacity for the most undersupplied classes of jobs. C.S.H.B. 2478 seeks to address these concerns in keeping with that recommendation by providing for a study to identify current and potential job shortages.

### **RULEMAKING AUTHORITY**

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

### **ANALYSIS**

C.S.H.B. 2478 amends the Labor Code to require the Texas Workforce Commission (TWC) to gather and study information relating to existing and projected shortages in high-wage, high-demand occupations in Texas. The bill requires the study to include information on existing and projected shortages in such occupations in industrial job sectors as specified by the bill.

C.S.H.B. 2478 requires TWC, not later than January 1 of each year, to submit to the governor, the lieutenant governor, the speaker of the house of representatives, and the presiding officer of each standing committee or subcommittee of the legislature with primary jurisdiction over workforce development matters a detailed report summarizing the results of TWC's study under the bill's provisions for the most recent state fiscal year and any suggestions and recommendations for legislative action TWC considers appropriate resulting from that study. The bill requires TWC to submit the initial report to the governor and the legislature not later than January 1, 2015.

### **EFFECTIVE DATE**

On passage, or, if the bill does not receive the necessary vote, September 1, 2013.

### **COMPARISON OF ORIGINAL AND SUBSTITUTE**

While C.S.H.B. 2478 may differ from the original in minor or nonsubstantive ways, the following comparison is organized and highlighted in a manner that indicates the substantial differences between the introduced and committee substitute versions of the bill.

INTRODUCED

SECTION 1. Subchapter A, Chapter 302, Labor Code, is amended by adding Section 302.019 to read as follows:

Sec. 302.019. **JOB AND SKILL SHORTAGE ANALYSIS**; REPORT. (a) The commission shall gather and analyze information relating to existing job and skills shortages in this state. The analysis conducted by the commission under this section must include:

(1) an analysis of job and skills shortages in industrial job sectors, including:

- (A) construction;
- (B) manufacturing;
- (C) agriculture;
- (D) forestry;
- (E) fishing;
- (F) hunting;
- (G) health care and social services;
- (H) education;
- (I) transportation and warehousing;
- (J) mining, quarrying, and oil and gas extraction;
- (K) utilities;
- (L) wholesale trade;
- (M) retail trade;
- (N) finance and insurance;
- (O) professional, scientific, and technical services; and
- (P) hospitality and food services;

(2) a breakdown of job and skills shortages by:

- (A) sex;
- (B) race;
- (C) ethnicity;
- (D) age;
- (E) familial status; and
- (F) geographic region; and

(3) 5-year, 10-year, and 20-year projections for job and skills shortages in the categories described by Subdivisions (1) and (2).

(b) Not later than January 1 of each year, the commission shall submit to the governor, the lieutenant governor, the speaker of the house of representatives, and the presiding officer of each standing committee or subcommittee of the legislature with primary jurisdiction over workforce development matters a detailed report summarizing the results of the

HOUSE COMMITTEE SUBSTITUTE

SECTION 1. Subchapter A, Chapter 302, Labor Code, is amended by adding Section 302.019 to read as follows:

Sec. 302.019. **OCCUPATIONAL SHORTAGE STUDY**; REPORT. (a) The commission shall gather and study information relating to existing and projected shortages in high-wage, high-demand occupations in this state. The study conducted by the commission under this section must include information on existing and projected shortages in high-wage, high-demand occupations in industrial job sectors, including:

- (1) construction;
- (2) manufacturing;
- (3) agriculture;
- (4) forestry;
- (5) health care and social services;
- (6) education;
- (7) transportation and warehousing;
- (8) mining, quarrying, and oil and gas extraction;
- (9) utilities;
- (10) wholesale trade;
- (11) retail trade;
- (12) finance and insurance;
- (13) professional, scientific, and technical services; and
- (14) hospitality and food services.

(b) Not later than January 1 of each year, the commission shall submit to the governor, the lieutenant governor, the speaker of the house of representatives, and the presiding officer of each standing committee or subcommittee of the legislature with primary jurisdiction over workforce development matters a detailed report summarizing the results of the commission's study under this section for

commission's analysis under this section for the most recent state fiscal year and any suggestions and recommendations for legislative action the commission considers appropriate resulting from that analysis.

SECTION 2. The Texas Workforce Commission shall submit the initial report to the governor and the legislature as required by Section 302.019, Labor Code, as added by this Act, not later than January 1, 2015.

SECTION 3. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2013.

the most recent state fiscal year and any suggestions and recommendations for legislative action the commission considers appropriate resulting from that study.

SECTION 2. Same as introduced version.

SECTION 3. Same as introduced version.