BILL ANALYSIS

H.B. 1155 By: Alvarado Economic & Small Business Development Committee Report (Unamended)

BACKGROUND AND PURPOSE

According to a recent study, one of the most cited factors for manufacturing companies to locate in another state after first considering Texas is the state's lack of workforce readiness and job training programs. Many businesses contend that the current workforce is aging and that the state requires new workers better equipped to meet future demand. As Texas faces a growing demand for skilled trade occupations, interested parties explain that the state needs to address the shortage of qualified applicants available to fill those positions. H.B. 1155 seeks to address the issue by providing rapid response workforce development services to certain employers.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

RULEMAKING AUTHORITY

It is the committee's opinion that rulemaking authority is expressly granted to the Texas Workforce Commission in SECTION 1 of this bill.

ANALYSIS

H.B. 1155 amends the Labor Code to establish the Recruit Texas Program within the Texas Workforce Commission (TWC) to provide an intensive and rapid response to, and support services for, employers expanding in or relocating their operations to Texas, with a focus on recruiting employers who will provide complex or high-skilled employment opportunities in Texas. The bill requires the TWC, under the program, to provide leadership and direction to, and linkage among, out-of-state employers, economic development organizations, local workforce development boards, public junior colleges, and public technical institutes to address the employers' needs for recruitment and hiring for complex or high-skilled employment positions as necessary to facilitate employers' relocation to or expansion of operations in Texas.

H.B. 1155 authorizes the TWC to award grants under the program to a public junior college or public technical institute to assist the college or institute with rapid curriculum development and instructor certification necessary to provide workforce training and related support services to employers who commit to establishing a place of business in Texas. The bill makes the executive director of the TWC, or a person appointed by the executive director who is knowledgeable in the administration of grants, responsible for the distribution of grant money under the program.

H.B. 1155 authorizes the TWC to commit money under the program to an out-of-state employer contingent on the employer's establishment or expansion of business operations in Texas but prohibits the use of program money to pay any training costs or other related costs of an employer to relocate the employer's worksite from one location in Texas to another location in Texas. The bill authorizes the TWC, for the purposes of such commitments, to use money

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appropriated to the TWC and money from other appropriate, statutorily authorized funding sources.

H.B. 1155 authorizes the TWC to adopt rules as necessary to implement the program.

EFFECTIVE DATE

September 1, 2015.

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