

BILL ANALYSIS

Senate Research Center
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C.S.H.B. 2784
By: Phelan et al. (Alvarado)
Business & Commerce
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Committee Report (Substituted)

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

C.S.H.B. 2784 amends current law relating to the creation of the Texas Industrial Workforce Apprenticeship Grant Program.

RULEMAKING AUTHORITY

Rulemaking authority is expressly granted to the executive director of the Texas Economic Development and Tourism Office in SECTION 1 (Sections 481.607 and 481.608, Government Code) of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Chapter 481, Government Code, by adding Subchapter EE, as follows:

SUBCHAPTER EE. TEXAS INDUSTRIAL WORKFORCE APPRENTICESHIP GRANT PROGRAM

Sec. 481.601. PURPOSE. Sets forth the purpose of this subchapter.

Sec. 481.602. DEFINITIONS. Defines "apprenticeship program" and provides that "person" does not include a governmental entity for purposes of this subchapter.

Sec. 481.603. PROGRAM. Requires the Texas Economic Development and Tourism Office (office) to establish and administer the Texas Industrial Workforce Apprenticeship Grant Program (program) to encourage the private sector to develop specialized industrial workforce apprenticeship programs in this state. Requires the office, under the program, to provide grants for persons who meet the requirements of Section 481.605.

Sec. 481.604. TEXAS INDUSTRIAL WORKFORCE APPRENTICESHIP FUND.
(a) Provides that the Texas industrial workforce apprenticeship fund is a dedicated account in the general revenue fund.

(b) Requires certain amounts to be deposited in the fund.

(c) Authorizes the fund to only be used for an apprenticeship program that meets the requirements of Section 481.605.

Sec. 481.605. APPLICATION; ELIGIBILITY FOR GRANT. Requires a person, to be eligible to receive a grant under this subchapter, to meet certain requirements.

Sec. 481.606. LIMITATIONS ON GRANT AMOUNT AND USE. Prohibits the amount of a grant awarded under this subchapter from exceeding \$10,000 per apprenticeship program participant and authorizes the grant to be used only to reimburse the cost of training, not including wages and benefits.

Sec. 481.607. REQUIREMENTS; GRANT AWARD. (a) Requires the office to distribute the grant funds as a reimbursement for training costs incurred by grant recipients in accordance with Section 481.606.

(b) Requires the office, before awarding a grant to a person under this subchapter, to determine that a sufficient number of apprenticeship program participants have met certain criteria.

(c) Authorizes the executive director of the office (executive director) by rule to develop the criteria for making the determinations required by Subsection (b).

Sec. 481.608. PROGRAM RULES. (a) Requires the executive director to adopt rules to administer and enforce this subchapter.

(b) Requires the office to post the rules on its Internet website.

Sec. 681.609. ANNUAL REPORT. (a) Requires the office, not later than December 1 of each year, to submit to the lieutenant governor, the speaker of the house of representatives, and the members of the legislature a report on grants made under this subchapter that states certain information.

(b) Prohibits the report from including information that is made confidential by law.

(c) Authorizes the office to require a grant recipient under this subchapter to submit, on a form provided by the office, information required to complete the report.

(d) Requires the office to post the annual report on its Internet website.

SECTION 2. Effective date: September 1, 2019.