

AN ACT

relating to the use of the skills development fund by certain entities and a study and report regarding the effectiveness of that fund.

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

SECTION 1. Section 303.001(a), Labor Code, is amended to read as follows:

(a) The purpose of this chapter is to remove administrative barriers that impede the response of public community and technical colleges, community-based organizations, local workforce development boards, and the Texas A&M Engineering Extension Service to industry and workforce training needs and to develop incentives for public community and technical colleges, community-based organizations, local workforce development boards, and the Texas A&M Engineering Extension Service to provide customized assessment and training in a timely and efficient manner.

SECTION 2. Section 303.002(b), Labor Code, is amended to read as follows:

(b) A public community or technical college or the Texas A&M Engineering Extension Service may recover customized assessment and training costs incurred by the institution if:

(1) there is an actual or projected labor shortage in the occupation in which training is provided that is not being met by an existing institution or program in the area; and

1           (2) the wages at the time of job placement for  
2 individuals who successfully complete customized training at the  
3 public community or technical college or the Texas A&M Engineering  
4 Extension Service are equal to the prevailing wage for that  
5 occupation in the local labor market area.

6           SECTION 3. Sections 303.003(b), (f), (g), and (h), Labor  
7 Code, are amended to read as follows:

8           (b) The skills development fund may be used by public  
9 community and technical colleges, community-based organizations,  
10 local workforce development boards, and the Texas A&M Engineering  
11 Extension Service as start-up or emergency funds for the following  
12 job-training purposes:

13           (1) developing customized training programs for  
14 businesses and trade unions; and

15           (2) sponsoring small and medium-sized business  
16 networks and consortiums.

17           (f) The Texas A&M Engineering Extension Service shall focus  
18 the service's training activities under this chapter on programs  
19 that:

20           (1) are statewide in nature; or

21           (2) are not available from a local junior college  
22 district, a local technical college, or a consortium of junior  
23 college districts.

24           (g) This section does not prohibit the Texas A&M Engineering  
25 Extension Service from participating in a consortium of junior  
26 college districts or with a technical college that provides  
27 training under this chapter.

1           (h) A community-based organization may apply for money to  
2 participate in a training program only in partnership with a  
3 community and technical college or the Texas A&M Engineering  
4 Extension Service. A community-based organization providing  
5 services regulated by the state shall provide evidence of any  
6 certification, license, or registration required by law.

7           SECTION 4. (a) The Texas Workforce Commission shall  
8 conduct a study on and develop recommendations for increasing the  
9 effectiveness of the skills development fund established under  
10 Chapter 303, Labor Code. The recommendations must include  
11 strategies for better achieving the fund's purposes, improving  
12 outcomes, and expanding participation in the opportunities  
13 available through the fund.

14           (b) Not later than December 1, 2020, the Texas Workforce  
15 Commission shall submit to the governor, the lieutenant governor,  
16 the speaker of the house of representatives, and the chairs of the  
17 legislative committees with appropriate jurisdiction a report  
18 detailing the commission's findings and recommendations under  
19 Subsection (a) of this section.

20           SECTION 5. This Act takes effect September 1, 2019.

---

President of the Senate

---

Speaker of the House

I certify that H.B. No. 700 was passed by the House on April 26, 2019, by the following vote: Yeas 127, Nays 12, 2 present, not voting; that the House refused to concur in Senate amendments to H.B. No. 700 on May 17, 2019, and requested the appointment of a conference committee to consider the differences between the two houses; and that the House adopted the conference committee report on H.B. No. 700 on May 26, 2019, by the following vote: Yeas 111, Nays 28, 2 present, not voting.

---

Chief Clerk of the House

H.B. No. 700

I certify that H.B. No. 700 was passed by the Senate, with amendments, on May 14, 2019, by the following vote: Yeas 25, Nays 6; at the request of the House, the Senate appointed a conference committee to consider the differences between the two houses; and that the Senate adopted the conference committee report on H.B. No. 700 on May 26, 2019, by the following vote: Yeas 29, Nays 2.

---

Secretary of the Senate

APPROVED: \_\_\_\_\_

Date

---

Governor