

By: Alvarado

S.B. No. 1576

A BILL TO BE ENTITLED

AN ACT

relating to the creation of the Texas Industrial Workforce
Apprenticeship Grant Program.

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

SECTION 1. Chapter 481, Government Code, is amended by
adding Subchapter EE to read as follows:

SUBCHAPTER EE. TEXAS INDUSTRIAL WORKFORCE APPRENTICESHIP GRANT
PROGRAM

Sec. 481.601. PURPOSE. The purpose of the Texas Industrial
Workforce Apprenticeship Grant Program is to address the immediate
industrial workforce needs of this state resulting from the impact
of Hurricane Harvey and overall workforce shortages.

Sec. 481.602. DEFINITIONS. In this subchapter:

(1) "Apprenticeship program" means a training program
that provides on-the-job training, preparatory instruction,
supplementary instruction, or related instruction in a trade that
has been recognized as an apprenticeable occupation by the Office
of Apprenticeship of the United States Department of Labor.

(2) "Person" does not include a governmental entity.

Sec. 481.603. PROGRAM. The office shall establish and
administer the Texas Industrial Workforce Apprenticeship Grant
Program to encourage the private sector to develop specialized
industrial workforce apprenticeship programs in this state. Under
the program, the office shall provide grants for persons who meet

1 the requirements of Section 481.605.

2 Sec. 481.604. TEXAS INDUSTRIAL WORKFORCE APPRENTICESHIP
3 FUND. (a) The Texas Industrial Workforce Apprenticeship Fund is a
4 dedicated account in the general revenue fund.

5 (b) The following amounts shall be deposited in the fund:

6 (1) money appropriated by the legislature for the fund
7 for purposes described by this subchapter;

8 (2) interest earned on the investment of money in the
9 fund; and

10 (3) gifts, grants, and other donations received for
11 the fund.

12 (c) The fund may be used only for an apprenticeship program
13 that meets the requirements of Section 481.605.

14 Sec. 481.605. APPLICATION; ELIGIBILITY FOR GRANT. To be
15 eligible to receive a grant under this section, a person must:

16 (1) if the person is an entity, be in good standing
17 under the laws of the state in which the person was formed or
18 organized, as evidenced by a certificate issued by the secretary of
19 state or the state official of another state having custody of the
20 records pertaining to a person formed or organized under the laws of
21 that state;

22 (2) not owe delinquent taxes to a taxing unit of this
23 state; and

24 (3) have in place an apprenticeship program that:

25 (A) provides on-the-job training under an
26 industry-recognized, accredited training curriculum;

27 (B) guarantees employment for participants

1 during and on completion of the training period;

2 (C) pays each participant at least \$15 per hour
3 during the training period and provides eligibility for
4 participants to receive full-time employee benefits during and on
5 completion of the training period;

6 (D) requires participants to advance their
7 skills, at a minimum, to a credentialed mid-level status in the
8 field related to the apprenticeship program;

9 (E) has a duration of not less than 16 weeks and
10 not more than 26 weeks; and

11 (F) gives preference to training and hiring:

12 (i) unemployed Texans who have filed with
13 the Texas Workforce Commission;

14 (ii) veterans of the United States armed
15 forces;

16 (iii) formerly incarcerated individuals;
17 and

18 (iv) underemployed individuals who are
19 working without industry-recognized certifications or other
20 credentials.

21 Sec. 481.606. LIMITATIONS ON GRANT AMOUNT AND USE. The
22 amount of a grant awarded under this chapter may not exceed \$10,000
23 per apprenticeship program participant and may be used only to
24 reimburse the cost of training, not including wages and benefits.

25 Sec. 481.607. REQUIREMENTS; GRANT AWARD. (a) The office
26 shall distribute the grant funds as a reimbursement for training
27 costs incurred by grant recipients in accordance with Section

1 481.606.

2 (b) Before awarding a grant to a person under this section,
3 the office must determine that a sufficient number of
4 apprenticeship program participants have:

5 (1) completed the program and achieved the training
6 requirements specified by Section 481.605(3)(D); and

7 (2) maintained available and suitable employment for a
8 period of not less than six months cumulatively after completion of
9 the apprenticeship program.

10 (c) The executive director by rule may develop the criteria
11 for making the determinations required by Subsection (b).

12 Sec. 481.608. PROGRAM RULES. (a) The executive director
13 shall adopt rules to administer and enforce this chapter.

14 (b) The office shall post the rules on its Internet website.

15 Sec. 481.609. ANNUAL REPORT. (a) Not later than December
16 1 of each year, the office shall submit to the lieutenant governor,
17 the speaker of the house of representatives, and the members of the
18 legislature a report on grants made under Section 481.607 that
19 states:

20 (1) the number of direct jobs each grant recipient
21 created in this state in each job category of the federal Equal
22 Employment Opportunity Commission's job classification guide;

23 (2) the median wage of the jobs each grant recipient
24 created in this state;

25 (3) the total amount of each grant awarded to a grant
26 recipient; and

27 (4) the number and categorization of apprenticeship

1 program participants trained and employed by each grant recipient
2 under Section 481.605(3)(F).

3 (b) The report may not include information that is made
4 confidential by law.

5 (c) The office may require a grant recipient under Section
6 481.607 to submit, on a form provided by the office, information
7 required to complete the report.

8 (d) The office shall post the annual report on its Internet
9 website.

10 SECTION 2. This Act takes effect September 1, 2019.