

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 86TH LEGISLATIVE REGULAR SESSION

May 15, 2019

TO: Honorable Donna Campbell, Chair, Senate Committee on Veteran Affairs & Border Security

FROM: John McGeady, Assistant Director Sarah Keyton, Assistant Director
Legislative Budget Board

IN RE: HB2588 by Phelan (Relating to the award of grants by the Texas Workforce Commission to facilitate the participation of certain veterans and military personnel in apprenticeship training programs.), **As Engrossed**

Estimated Two-year Net Impact to General Revenue Related Funds for HB2588, As Engrossed: a negative impact of (\$600,000) through the biennium ending August 31, 2021.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

General Revenue-Related Funds, Five-Year Impact:

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2020	(\$300,000)
2021	(\$300,000)
2022	(\$300,000)
2023	(\$300,000)
2024	(\$300,000)

All Funds, Five-Year Impact:

Fiscal Year	Probable (Cost) from General Revenue Fund 1
2020	(\$300,000)
2021	(\$300,000)
2022	(\$300,000)
2023	(\$300,000)
2024	(\$300,000)

Fiscal Analysis

The bill would amend the Labor Code relating to the award of grants by the Texas Workforce

Commission (TWC) to facilitate the participation of certain veterans and military personnel in apprenticeship training programs.

The bill would require TWC to develop and administer a grant program to nonprofit organizations to recruit or assist veterans or active-duty military service members who are transitioning into civilian employment to participate in an apprenticeship training program. The bill would require TWC to adopt rules for the administration of the provisions of the bill.

The bill would take effect on September 1, 2019.

Methodology

Based on information provided by TWC, it is estimated that implementing the provisions of the bill would result in a cost of \$300,000 each fiscal year from General Revenue Funds. TWC assumes that there are three major military installations/cities in Texas and each area would receive one grant of approximately \$100,000 each fiscal year. Each grant would fund at least one staffing position and associated administrative costs, including general business costs, marketing materials, and travel costs, to recruit or assist veterans or active-duty military service members to participate in an apprenticeship training program.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 320 Texas Workforce Commission

LBB Staff: WP, SLE, SGr, CP