

BILL ANALYSIS

C.S.H.B. 1338

By: Raney

International Relations & Economic Development
Committee Report (Substituted)

BACKGROUND AND PURPOSE

Some small businesses have reported being unable to access skills development fund support through junior colleges or local workforce development boards for a variety of reasons, including a lack of interest or inability to provide timely support to employers to train their employees. C.S.H.B. 1338 seeks to allow 501(c)(3) tax-exempt community-based organizations to work directly with the Texas Workforce Commission to ensure small businesses may access the support provided through the skills development fund after trying and failing to sign a partnership agreement with a community or technical college of the Texas A&M Engineering Extension Service.

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 this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

C.S.H.B. 1338 amends the Labor Code to except a 501(c)(3) tax-exempt private, nonprofit community-based organization that provides for education, vocational education, rehabilitation, job training, or internship services or programs that is applying for money from the skills development fund to participate in a workforce training program from the requirement to apply for the money in partnership with a community and technical college or the Texas A&M Engineering Extension Service if, at least 90 days before the date the organization applies, the organization submitted a written request for a partnership with such a college or the service and has been unable to obtain the partnership. The bill clarifies that the Texas Workforce Commission is the entity to which an organization applying for such money must submit evidence of any applicable certification, license, or registration during the application process if the organization provides services regulated by the state. These provisions apply only to an application for money from the skills development fund submitted on or after the bill's effective date.

EFFECTIVE DATE

September 1, 2023.

COMPARISON OF INTRODUCED AND SUBSTITUTE

While C.S.H.B. 1338 may differ from the introduced in minor or nonsubstantive ways, the following summarizes the substantial differences between the introduced and committee substitute versions of the bill.

The substitute changes the date by which an organization must have submitted a written request for a partnership before applying on its own for money from the fund on the basis of having been unable to obtain a partnership from six weeks before the application date, as in the introduced, to 90 days before that date.