

## **BILL ANALYSIS**

H.B. 3900  
By: Lambert  
International Relations & Economic Development  
Committee Report (Unamended)

### **BACKGROUND AND PURPOSE**

The skills development fund (SDF) is a training and upskilling grant program administered by the Texas Workforce Commission. Eligible entities include public community and technical colleges, the Texas A&M Engineering Extension Service, workforce development boards, and community-based organizations. SDF grants can support start-up costs and training programs. However, there is a current limit in which only 10 percent of a grant amount may be used for proprietary or production equipment purchases necessary for a training project. H.B. 3900 seeks to provide greater flexibility for educational partners and opportunities to expand access to modern workforce training by setting a cap of 25 percent on the amount of a SDF grant that may be used for such purchases.

### **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**

H.B. 3900 amends the Labor Code to include among the job-training purposes for which the skills development fund may be used by public community and technical colleges, community-based organizations, local workforce development boards, and the Texas A&M Engineering Extension Service the implementation of customized training programs for businesses and trade unions, in addition to the development of such training programs as authorized by current law. The bill accordingly removes the specification that the fund is used for start-up or emergency funds. The bill caps at 25 percent the amount of a skills development fund grant awarded for a training project that may be used for the purchase of any proprietary or production equipment necessary for the training project. The bill's provisions apply only to a skills development fund grant awarded by the Texas Workforce Commission on or after the bill's effective date.

### **EFFECTIVE DATE**

September 1, 2023.