

## **BILL ANALYSIS**

Senate Research Center

H.B. 4390  
By: Button et al. (Bettencourt)  
Natural Resources & Economic Development  
5/15/2023  
Engrossed

### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

Apprenticeships are a beneficial tool in addressing skills gaps in the Texas workforce. Industry recognized apprenticeship programs provide on-the-job experience and training that result in an industry-recognized certification and employment while allowing participants to "earn while they learn." It has been suggested that statutes relating to such programs need updating to expand apprenticeship opportunities in Texas. Current law provides for apprenticeships only for occupations recognized and programs certified by the Department of Labor for eligibility in the Texas Industry-Recognized Apprenticeship Programs Grant Program. This bill expands apprenticeship opportunities here in Texas which is good for both job-seekers and employers.

H.B. 4390 seeks to provide the authority to the Texas Workforce Commission to adopt its own rules in determining which apprenticeships qualify for the Industry-Recognized Apprenticeship Programs Grant Program.

H.B. 4390 amends current law relating to the Texas Industry-Recognized Apprenticeship Programs Grant Program.

### **RULEMAKING AUTHORITY**

Rulemaking authority is expressly granted to the Texas Workforce Commission in SECTION 3 (Section 302.257, Labor Code) of this bill.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Section 302.252(1), Labor Code, to redefine "industry-recognized apprenticeship program."

SECTION 2. Amends Subchapter I, Chapter 302, Labor Code, by adding Section 302.2555, as follows:

Sec. 302.2555. EXCLUDED PROGRAMS. Prohibits the Texas Workforce Commission (TWC) from certifying or awarding a grant under Subchapter I (Texas Industry-Recognized Apprenticeship Programs Grant Program) to a training program in the construction industry, as that industry is described by the North American Industry Classification System sector number 23.

SECTION 3. Amends Section 302.257, Labor Code, by amending Subsection (a) and adding Subsection (a-1), as follows:

(a) Requires TWC to adopt rules to administer and enforce this subchapter, including rules establishing the criteria and process for TWC to certify a training program as an industry-recognized apprenticeship program for purposes of this subchapter.

(a-1) Requires that the certification criteria established under Subsection (a) include that the training program:

(1) lead to the attainment of skills that:

(A) are customarily learned in a practical way through a structured, systematic program of on-the-job supervised training; and

(B) are clearly identified and commonly recognized throughout an industry;

(2) involve manual, mechanical, or technical skills or knowledge requiring significant on-the-job work experience; and

(3) require related instruction to supplement the on-the-job training.

SECTION 4. Requires TWC, as soon as practicable after the effective date of this Act, to adopt the rules required by Section 302.257, Labor Code, as amended by this Act.

SECTION 5. Makes application of this Act prospective.

SECTION 6. Effective date: September 1, 2023.