

BILL ANALYSIS

H.B. 4734
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International Relations & Economic Development
Committee Report (Unamended)

BACKGROUND AND PURPOSE

The offshore wind energy industry is in its infancy and has great potential. Early involvement can provide Texans jobs and new economic development for the state, help reduce reliance on non-renewable resources, and provide Texas the ability to apply for federal grants to help the industry grow. H.B. 4734 seeks to provide these opportunities by requiring the Texas Economic Development and Tourism Office, in collaboration with the Texas Workforce Commission, to conduct a study on the potential impact and workforce growth opportunities and challenges related to attracting offshore wind energy supply chain industries to Texas.

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. 4734 requires the Texas Economic Development and Tourism Office (TEDTO), in collaboration with the Texas Workforce Commission, to conduct a study and develop a report to identify and analyze the potential economic and workforce growth opportunities and challenges for Texas related to attracting offshore wind energy supply chain industries to Texas. The report may include recommendations for further study, policies, or investments in aspects of the offshore wind energy supply chain. The bill authorizes TEDTO, in preparing the study, to consider and identify the following:

- discrete segments within the offshore wind energy supply chain, including advanced manufacturing operations, specialty component manufacturing, seaport network infrastructure, shipbuilding, component assembly, transportation and distribution, and ancillary services for future domestic offshore wind energy projects;
- the estimated number and type of current and potential offshore wind energy supply chain direct manufacturing jobs;
- potential industry growth and activity in Texas' existing seaport network, advanced manufacturing, energy production and management, and information technology industries;
- the greatest impact investment opportunities to produce the largest net economic benefit, including identification of the geographic areas most likely to benefit or to be impacted by offshore wind energy supply chain industries in Texas;
- potential benefits to local tax bases, expected additional contributions to state economic production, and potential ancillary economic benefits; and
- any additional information TEDTO identifies as relevant.

H.B. 4734 authorizes TEDTO, in conducting the study and preparing the report, to do the following:

- conduct an analysis of current resources in Texas compared to the workforce education, training, development, and recruitment needed to offer a skilled workforce for employers in the offshore wind energy supply chain industry;
- evaluate the potential benefits of and opportunities to develop regional private sector partnerships with such industries to support workforce development and training;
- explore opportunities for partnerships with neighboring states to undertake complementary actions, policies, and investments that will help achieve a domestic offshore wind energy supply chain and workforce;
- identify available funding, including resources from the federal Infrastructure Investment and Jobs Act and federal Inflation Reduction Act to support the recruitment and expansion of offshore wind energy supply chain industries to Texas and related workforce development; and
- develop actionable recommendations Texas should take to recruit new, and assist the expansion of existing, offshore wind energy supply chain industries.

The bill authorizes TEDTO, if necessary and as appropriate, to partner with a nonprofit entity or institution of higher education to conduct the study.

H.B. 4734 requires TEDTO, not later than December 1, 2024, to submit a report to the governor, lieutenant governor, speaker of the house of representatives, and each member of the legislature that includes the results of the study and a report of recommendations for legislative or other action. The bill's provisions expire September 1, 2025.

EFFECTIVE DATE

On passage, or, if the bill does not receive the necessary vote, September 1, 2023.