**BILL ANALYSIS**

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| Senate Research Center | H.B. 3260 |
|  | By: Bell, Keith et al. (Hancock) |
|  | Economic Development |
|  | 5/16/2025 |
|  | Engrossed |

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

Industry-Recognized Apprenticeship Programs (IRAPs) are a flexible form of job training allowing individuals to gain on-the-job experience, obtain workplace-relevant knowledge, receive an industry-recognized credential, and be paid while they learn. IRAPs were specifically developed as a way for employers to directly best respond to their workforce needs through individualized apprenticeship programs.

The 86th Legislature created the Texas Industry-Recognized Apprenticeship Programs Grant Program through H.B. 2784; however, the program was never able to be fully realized due to changing policies at the U.S. Department of Labor (DOL). In recent years, DOL has rolled back and rescinded all IRAP activity at the federal level. Current statute requires the Texas Workforce Commission (TWC) to obtain DOL approval for IRAP programs, which has limited the agency in increasing apprenticeship opportunities with employers. As DOL has changed rules and guidelines, TWC is unable to adapt, due to state law.

H.B. 3260 seeks to enable TWC to respond better to workforce needs by more efficiently utilizing the Texas IRAP program and encouraging employers to participate in growing the state's skilled workforce.

H.B. 3260 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 2 (Section 302.256, Labor Code) of this bill.

Rulemaking authority previously granted to the Texas Workforce Commission is modified 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 Section 302.256, Labor Code, by adding Subsection (e) to authorize the Texas Workforce Commission (TWC) to by rule distribute payments constituting a partial reimbursement to an eligible person as milestones for on-the-job training and employment are met by program participants, in accordance with the grant terms.

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 Subchapter I (Texas Industry-Recognized Apprenticeship Programs Grant Program), including rules establishing:

(1) which occupations are recognized by TWC as an apprenticeable occupation for purposes of this subchapter and the criteria for that determination, which are required to include that the occupation meets certain requirements;

(2) a process for and the criteria by which TWC is authorized to certify a training program as an industry-recognized apprenticeship program for purposes of this subchapter;

(3) performance metrics, including completion rates and retention outcomes, for industry-recognized apprenticeship program participants trained or employed by a grant recipient using grant money awarded under this subchapter;

(4) timelines for performance metric data reporting by grant recipients under this subchapter; and

(5) a schedule by which TWC annually is required to make aggregated performance metric data reported by grant recipients under this subchapter publicly available on TWC's Internet website.

(a-1) Requires that the criteria adopted by TWC under Subsection (a)(2) be generally consistent with the standards of apprenticeship prescribed by 29 C.F.R. Section 29.

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

SECTION 5. Makes application of this Act prospective.

SECTION 6. Effective date: September 1, 2025