

BILL ANALYSIS

Senate Research Center
89R9001 DNC-D

S.B. 856
By: Flores
Economic Development
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As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

The Texas Skills Development Fund is a program at the Texas Workforce Commission designed to train new workers or elevate the skills of existing workers with the goal of advancing the skill levels and wages of the state's workforce. The Texas A&M Engineering Experiment Station (TEES) is a state research agency that solves problems through applied engineering research and collaboration with industry, government, and academia. The mission of TEES, according to Section 88, Subchapter E of the Texas Education Code, is to perform quality research to address our evolving society's needs, transfer emerging technology to private industry, and support the state's workforce development through professional education.

This bill amends the Labor Code by adding TEES to the list of organizations eligible to use funds from the Texas Skills Development Fund for job training purposes. Including TEES as an entity able to access this fund will provide another opportunity for this program to expand to meet the rapidly growing needs of the bioscience and biotech industry workforce.

As proposed, S.B. 856 amends current law relating to the use of the skills development fund by certain entities.

RULEMAKING AUTHORITY

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

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 303.001(a), Labor Code, to provide that the purpose of Chapter 303 (Skills Development Fund) is to remove administrative barriers that impede the response of certain entities, including the Texas A&M Engineering Experiment Station (TEES), to industry and workforce training needs and to develop incentives for those entities, including TEES, to provide customized assessment and training in a timely and efficient manner.

SECTION 2. Amends Section 303.002(b), Labor Code, to authorize certain entities, including TEES, to recover customized assessment and training costs incurred by the college, station, or service, rather than the institution, in certain circumstances, and to make a conforming change.

SECTION 3. Amends Sections 303.003(b), (f), (g), and (h), Labor Code, as follows:

(b) Authorizes the skills development fund to be used by certain entities, including TEES, as start-up or emergency funds for certain job training purposes.

(f) Requires TEES and the Texas A&M Engineering Extension Service to focus the station's or service's training activities under this chapter on certain programs.

(g) Provides that Section 303.002 (Skills Development Fund) does not prohibit TEES or the Texas A&M Engineering Extension Service from participation in a consortium of junior college districts or with a technical college that provides training under this chapter.

(h) Authorizes a community-based organization to apply for money to participate in a training program only in partnership with certain entities, including TEES.

SECTION 4. Amends Section 303.004, Labor Code, as follows:

Sec. 303.004. FUND REVIEW; REPORT BY CERTAIN WORKFORCE TRAINING PROVIDERS REQUIRED. (a) Requires the Texas Higher Education Coordinating Board to review all customized training programs biennially to verify that state funds are being used appropriately by certain entities, including TEES, under this chapter.

(b)-(c) Makes conforming changes to these subsections.

SECTION 5. Effective date: September 1, 2025.