

BILL ANALYSIS

Senate Research Center

S.B. 2448
By: Sparks
Economic Development
6/11/2025
Enrolled

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Small rural communities in our state can lack the economies of scale needed to grow and improve the workforce and prepare students for higher education and the workforce. Currently, there are successful models, using technical assistance providers, that work with local communities to expand workforce opportunities with good jobs, in areas such as agriculture, health care, and technology, and to align institutions of higher education and rural school districts to prepare students for college and careers.

To help scale these models, S.B. 2448 adds to current law a rural workforce development program at the Texas Workforce Commission (TWC) to support measurable programs advancing college and career readiness, skill development, and work experience. The bill authorizes TWC to award grants for technical assistance to one or more nonprofit organizations to assist a rural community's alignment of workforce, higher education, and education goals, including access and attainment of postsecondary credentials and degrees, and also allows grants to local entities performing activities related to the program.

(Original Author/Sponsor's Statement of Intent)

S.B. 2448 amends current law relating to the establishment of the Rural Workforce Development Grant Program.

RULEMAKING AUTHORITY

Rulemaking authority is expressly granted to the Texas Workforce Commission in SECTION 1 (Section 302.306, Labor Code) of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Chapter 302, Labor Code, by adding Subchapter J, as follows:

SUBCHAPTER J. RURAL WORKFORCE DEVELOPMENT GRANT PROGRAM

Sec. 302.301. DEFINITIONS. Defines "institution of higher education," "nonprofit organization," and "program."

Sec. 302.302. PROGRAM ESTABLISHMENT AND ADMINISTRATION. Requires the Texas Workforce Commission (TWC), in consultation with the Texas Education Agency and the Texas Higher Education Coordinating Board, to establish and administer the Rural Workforce Development Program (program) under which TWC is authorized to award grants to one or more nonprofit organizations to provide technical assistance and support to institutions of higher education and school districts located in rural areas of the state in aligning and delivering workforce training and higher education programs to address skills gaps to meet urgent workforce demands of rural areas.

Sec. 302.303. GRANT ELIGIBILITY. Requires a nonprofit organization, to be eligible for a grant under the program, to apply to TWC in the manner prescribed by TWC rule, demonstrate experience in effectively providing technical assistance and support to institutions of higher education or school districts located in a rural area of this state in

aligning and delivering workforce training and higher education programs to address skills gaps to meet the area's urgent workforce demands, and satisfy any other relevant criteria prescribed by TWC rule.

Sec. 302.304. GRANT REQUIREMENTS. (a) Provides that TWC is authorized to award a grant to an eligible nonprofit organization under the program only if the organization enters into a contract with TWC that includes conditions providing TWC with sufficient control to ensure the public purpose of improving rural workforce development is accomplished and the state receives a return benefit.

(b) Provides that grant money awarded to an eligible nonprofit organization under the program is authorized to be used by the organization only for costs associated with providing technical assistance and support to an institution of higher education or school district located in a rural area of this state in aligning and delivering workforce training and higher education programs to address skills gaps to meet the area's urgent workforce demands.

Sec. 302.305. FUNDING. Authorizes TWC, in addition to any money appropriated for the program, to solicit and accept gifts, grants, and donations from any public or private source for the program.

Sec. 302.306. RULES; REVIEW. Requires TWC to adopt rules for the administration of this subchapter and periodically verify that grant money awarded to a nonprofit organization under the program is being used appropriately.

Sec. 302.307. ANNUAL REPORT. Requires TWC, not later than December 1 of each year, to submit to the governor, the lieutenant governor, the speaker of the house of representatives, and each standing committee of the legislature with primary jurisdiction over workforce development a report regarding any grants awarded under the program during the most recent state fiscal year and the program's effectiveness.

SECTION 2. Requires TWC to adopt the rules required under Subchapter J, Chapter 302, Labor Code, as added by this Act, as soon as practicable after the effective date of this Act.

SECTION 3. Effective date: September 1, 2025.