

## **BILL ANALYSIS**

S.B. 2448  
By: Sparks  
Trade, Workforce & Economic Development  
Committee Report (Unamended)

### **BACKGROUND AND PURPOSE**

The bill sponsor has informed the committee that rural communities in Texas can lack the economies of scale needed to grow and improve the workforce and prepare students for higher education and the workforce. The bill sponsor has further informed the committee that 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. S.B. 2448 seeks to address this issue by requiring the Texas Workforce Commission to establish and administer a program that awards grants for technical assistance to nonprofit organizations so that they can assist in the delivery of workforce training and higher education programs.

### **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 rulemaking authority is expressly granted to the Texas Workforce Commission in SECTION 1 of this bill.

### **ANALYSIS**

S.B. 2448 amends the Labor Code to require 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 Grant Program under which TWC may award grants to one or more nonprofit organizations to provide technical assistance and support to public institutions of higher education and public school districts located in rural areas of Texas in aligning and delivering workforce training and higher education programs to address skills gaps to meet urgent workforce demands of rural areas. The bill defines "nonprofit organization" as an organization exempt from federal income taxation under applicable provisions of the Internal Revenue Code of 1986 as a 501(c)(3) tax-exempt organization.

S.B. 2448 requires a nonprofit organization, to be eligible for a grant under the program, to do the following:

- 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 districts located in a rural area of Texas 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.

The bill authorizes TWC 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.

S.B. 2448 authorizes grant money awarded to an eligible nonprofit organization under the program to be used by the organization only for costs associated with providing technical assistance and support to an institution of higher education or district located in a rural area of Texas in aligning and delivering workforce training and higher education programs to address skills gaps to meet the area's urgent workforce demands. The bill 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.

S.B. 2448 requires TWC to adopt rules for the administration of the bill's provisions as soon as practicable after the bill's effective date and periodically verify that grant money awarded to a nonprofit organization under the program is being used appropriately. The bill requires TWC, not later than December 1 of each year, to submit to the governor, lieutenant governor, 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.

**EFFECTIVE DATE**

September 1, 2025.