## BILL ANALYSIS

Senate Research Center 89R14686 SCR-F S.B. 2925 By: Blanco Economic Development 4/22/2025 As Filed

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

Texas's manufacturing industry is a critical component of the state's economy, supporting jobs, exports, and innovation. Texas has maintained its position as the nation's leading exporting state for over two decades. In 2023, the state exported \$291.9 billion in manufactured goods.<sup>1</sup> However, as global competition intensifies and technology rapidly evolves, many manufacturers—particularly small and mid-sized firms—face challenges integrating modern tools such as automation and digital systems into their operations. Without a coordinated strategy to identify obstacles and support industry-wide modernization, Texas risks falling behind in workforce readiness, productivity, and global competitiveness.

S.B. 2925 establishes the Task Force on Modernizing Manufacturing to conduct a comprehensive review of the current state of manufacturing in Texas to identify barriers to innovation, develop actionable policy recommendations, and evaluate the economic impact of transitioning to more advanced manufacturing technologies.

<sup>1</sup> Texas Association of Manufacturers. (2023). Texas manufacturing exports top \$291.9 billion in 2023. https://manufacturetexas.org/

As proposed, S.B. 2925 amends current law relating to the establishment of the Task Force on Modernizing Manufacturing.

## **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 Chapter 481, Government Code, by adding Subchapter HH, as follows:

SUBCHAPTER HH. TASK FORCE ON MODERNIZING MANUFACTURING

Sec. 481.701. DEFINITION. Defines "task force."

Sec. 481.702. CREATION OF TASK FORCE; COMPOSITION. (a) Provides that the Task Force on Modernizing Manufacturing (task force) is established to study the modernization of manufacturing in this state.

(b) Provides that the task force is composed of 11 members, consisting of:

(1) the executive director of the Texas Economic Development and Tourism Office (executive director) or the executive director's designee; and

(2) certain members appointed by the governor, on the recommendation of the executive diressctor or the executive director's designee.

(c) Requires the executive director or the executive director's designee to serve as the presiding officer of the task force.

(d) Requires the task force to meet at the call of the presiding officer.

Sec. 481.703. DUTIES OF TASK FORCE. (a) Requires the task force to perform certain duties.

(b) Authorizes the task force to establish subcommittees as necessary to carry out its duties under this subchapter.

Sec. 481.704. ADMINISTRATIVE SUPPORT. Requires the Texas Economic Development and Tourism Office to provide the staff and facilities necessary to assist the task force in performing the task force's duties under this subchapter.

Sec. 481.705. REPORT. Requires the task force, not later than October 1, 2026, to prepare and deliver to the governor, the lieutenant governor, the speaker of the house of representatives, and each standing committee of the legislature with primary jurisdiction over economic development matters a report on the task force's findings and recommendations for legislative or other action.

Sec. 481.706. EXPIRATION. Provides that the task force is abolished and this subchapter expires September 1, 2027.

SECTION 2. Effective date: upon passage or September 1, 2025.