

By: Talarico

H.B. No. 3173

A BILL TO BE ENTITLED

AN ACT

1
2 relating to certain planning, notification, and evaluation
3 requirements with respect to workforce development programs in this
4 state.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

6 SECTION 1. Section 2308.304, Government Code, is amended by
7 adding Subsection (c-1) to read as follows:

8 (c-1) In establishing goals, objectives, and performance
9 measures for segments of the population under Subsection (c), the
10 plan must establish specific goals, objectives, and performance
11 measures for individuals who are at least 16 years of age but
12 younger than 25 years of age.

13 SECTION 2. Chapter 2308, Government Code, is amended by
14 adding Subchapter H to read as follows:

15 SUBCHAPTER H. DUTIES OF GOVERNMENTAL ENTITIES TO LOCAL WORKFORCE

16 DEVELOPMENT BOARDS AND DIVISION

17 Sec. 2308.351. NOTICE OF FINANCIAL INCENTIVE. (a) In this
18 section:

19 (1) "Commission" means the Texas Workforce
20 Commission.

21 (2) "Financial incentive" means a financial benefit,
22 including a grant, loan, or tax preference, or a combination of
23 those benefits, offered by a governmental entity to any person.

24 (3) "Governmental entity" means a state agency or

1 political subdivision of this state, including a municipality or
2 county.

3 (b) A governmental entity that provides a financial
4 incentive that results in the creation of at least 100 estimated new
5 employment opportunities shall, not later than the 30th day after
6 the date the governmental entity approves the financial incentive,
7 notify the commission and any local workforce development board
8 operating in a workforce development area where the financial
9 incentive is distributed of the plan to distribute the financial
10 incentive.

11 (c) The notice required by Subsection (b) must include:

12 (1) the estimated number of new employment
13 opportunities the financial incentive will create;

14 (2) the estimated start date for each new employment
15 opportunity created by the financial incentive; and

16 (3) a description of the skills and training necessary
17 for applicants for each new employment opportunity created by the
18 financial incentive.

19 SECTION 3. Subchapter E, Chapter 302, Labor Code, is
20 amended by adding Section 302.087 to read as follows:

21 Sec. 302.087. EVALUATION OF WORKFORCE DEVELOPMENT
22 ACTIVITIES. (a) The commission shall annually evaluate:

23 (1) the effectiveness of the commission's workforce
24 development program; and

25 (2) the best practices for allocating workforce
26 development funds to and by local workforce development boards to:

27 (A) meet the current and projected workforce

1 needs of employers in workforce development areas; and

2 (B) provide workforce development services to
3 individuals who are at least 16 years of age but younger than 25
4 years of age.

5 (b) The evaluation under Subsection (a) must include:

6 (1) a calculation of the respective percentages of
7 workforce funds spent annually on efforts to:

8 (A) increase employment among individuals who
9 are at least 16 years of age but younger than 25 years of age;

10 (B) reenroll individuals who have dropped out of
11 a public or open-enrollment charter school and who are at least 16
12 years of age but younger than 25 years of age; and

13 (C) facilitate the participation of individuals
14 who are at least 16 years of age but less than 25 years of age in
15 postsecondary education, technical education, or the military;

16 (2) the respective numbers of individuals who are at
17 least 16 years of age but younger than 25 years of age who:

18 (A) have dropped out of a public or
19 open-enrollment charter school and are assisted in reenrollment
20 with workforce funds; and

21 (B) receive assistance in participating in
22 postsecondary education, technical education, or the military;

23 (3) for each local workforce development area:

24 (A) the respective numbers of individuals who are
25 at least 16 years of age but younger than 25 years of age who:

26 (i) are eligible for workforce development
27 services; and

1 (ii) annually receive workforce
2 development services, including the number receiving assistance in
3 enrolling in high school, a high school equivalency program, an
4 apprenticeship program, an institution of higher education, a
5 technical school, or the military; and

6 (B) the total number of workforce development
7 service providers actively serving individuals who are at least 16
8 years of age but younger than 25 years of age in the area;

9 (4) for each local workforce development board, an
10 assessment of the board's current use of workforce funds to
11 determine and meet the current and projected workforce needs of
12 employers in the workforce development area;

13 (5) examples of efforts to reach individuals who are
14 at least 16 years of age but less than 25 years of age in which the
15 commission and local workforce development boards coordinated with
16 each of the following respective entities:

17 (A) the Texas Education Agency, school
18 districts, or open-enrollment charter schools;

19 (B) the Texas Higher Education Coordinating
20 Board or institutions of higher education; and

21 (C) the Department of Family and Protective
22 Services; and

23 (6) examples of efforts to meet current and projected
24 workforce needs in which the commission and local workforce
25 development boards coordinated with each of the following
26 respective entities:

27 (A) private employers or other members of the

1 business community; and

2 (B) workforce development service providers.

3 (c) The commission shall make the evaluation conducted
4 under Subsection (a), any information collected in the course of
5 conducting the evaluation, and any findings of the commission
6 arising from the evaluation readily available to local workforce
7 development boards, employers, institutions of higher education,
8 school districts, open-enrollment charter schools, and the public.

9 (d) Not later than January 15 of each odd-numbered year, the
10 commission shall make a report to the legislature detailing the
11 commission's findings on the effectiveness of the commission's
12 workforce development program. The report must include:

13 (1) the information described by Subsection (b);

14 (2) employment outcome information for individuals
15 who are at least 16 years of age but less than 25 years of age,
16 disaggregated by local workforce development area;

17 (3) an analysis of multiyear trends identifiable from
18 the information contained in the evaluation conducted under
19 Subsection (a), including any identifiable trends that show
20 positive impacts of workforce development programs on workforce
21 participation of individuals who are at least 16 years of age but
22 less than 25 years of age; and

23 (4) the commission's recommendation for legislative or
24 regulatory action, including recommendations for regulatory action
25 by other governmental entities.

26 SECTION 4. This Act takes effect September 1, 2025.