

AN ACT

relating to the establishment of the Rural Workforce Development Grant Program.

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

SECTION 1. Chapter 302, Labor Code, is amended by adding Subchapter J to read as follows:

SUBCHAPTER J. RURAL WORKFORCE DEVELOPMENT GRANT PROGRAM

Sec. 302.301. DEFINITIONS. In this subchapter:

(1) "Institution of higher education" has the meaning assigned by Section 61.003, Education Code.

(2) "Nonprofit organization" means an organization exempt from federal income taxation under Section 501(a), Internal Revenue Code of 1986, as an organization described by Section 501(c)(3) of that code.

(3) "Program" means the Rural Workforce Development Grant Program established under this subchapter.

Sec. 302.302. PROGRAM ESTABLISHMENT AND ADMINISTRATION. The commission, in consultation with the Texas Education Agency and the Texas Higher Education Coordinating Board, shall establish and administer the Rural Workforce Development Grant Program under which the commission may 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

1 training and higher education programs to address skills gaps to  
2 meet urgent workforce demands of rural areas.

3 Sec. 302.303. GRANT ELIGIBILITY. To be eligible for a grant  
4 under the program, a nonprofit organization must:

5 (1) apply to the commission in the manner prescribed  
6 by commission rule;

7 (2) demonstrate experience in effectively providing  
8 technical assistance and support to institutions of higher  
9 education or school districts located in a rural area of this state  
10 in aligning and delivering workforce training and higher education  
11 programs to address skills gaps to meet the area's urgent workforce  
12 demands; and

13 (3) satisfy any other relevant criteria prescribed by  
14 commission rule.

15 Sec. 302.304. GRANT REQUIREMENTS. (a) The commission may  
16 award a grant to an eligible nonprofit organization under the  
17 program only if the organization enters into a contract with the  
18 commission that includes conditions providing the commission with  
19 sufficient control to ensure the public purpose of improving rural  
20 workforce development is accomplished and the state receives a  
21 return benefit.

22 (b) Grant money awarded to an eligible nonprofit  
23 organization under the program may be used by the organization only  
24 for costs associated with providing technical assistance and  
25 support to an institution of higher education or school district  
26 located in a rural area of this state in aligning and delivering  
27 workforce training and higher education programs to address skills

1 gaps to meet the area's urgent workforce demands.

2 Sec. 302.305. FUNDING. In addition to any money  
3 appropriated for the program, the commission may solicit and accept  
4 gifts, grants, and donations from any public or private source for  
5 the program.

6 Sec. 302.306. RULES; REVIEW. The commission shall:

7 (1) adopt rules for the administration of this  
8 subchapter; and

9 (2) periodically verify that grant money awarded to a  
10 nonprofit organization under the program is being used  
11 appropriately.

12 Sec. 302.307. ANNUAL REPORT. Not later than December 1 of  
13 each year, the commission shall submit to the governor, the  
14 lieutenant governor, the speaker of the house of representatives,  
15 and each standing committee of the legislature with primary  
16 jurisdiction over workforce development a report regarding:

17 (1) any grants awarded under the program during the  
18 most recent state fiscal year; and

19 (2) the program's effectiveness.

20 SECTION 2. The Texas Workforce Commission shall adopt the  
21 rules required under Subchapter J, Chapter 302, Labor Code, as  
22 added by this Act, as soon as practicable after the effective date  
23 of this Act.

24 SECTION 3. This Act takes effect September 1, 2025.

\_\_\_\_\_  
President of the Senate

\_\_\_\_\_  
Speaker of the House

I hereby certify that S.B. No. 2448 passed the Senate on May 1, 2025, by the following vote: Yeas 30, Nays 1.

\_\_\_\_\_  
Secretary of the Senate

I hereby certify that S.B. No. 2448 passed the House on May 20, 2025, by the following vote: Yeas 103, Nays 44, two present not voting.

\_\_\_\_\_  
Chief Clerk of the House

Approved:

\_\_\_\_\_  
Date

\_\_\_\_\_  
Governor