

BILL ANALYSIS

H.B. 2169
By: Chavez
Technology, Economic Development & Workforce
Committee Report (Unamended)

BACKGROUND AND PURPOSE

The Texas Workforce Commission (TWC) operates the skills development fund (SDF), which is used to assist employers and employees by funding job training projects. The TWC, however, will not commit training funds to prospective new employers, which puts Texas at a competitive disadvantage compared to other states. Distributing the funds to prospective new employers for the purpose of hiring more workers would create an advantage for economic growth in luring new businesses to Texas.

H.B. 2169 authorizes the TWC to adopt rules to allow the commission to commit SDF money to prospective employers.

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

H.B. 2169 amends the Labor Code to authorize the Texas Workforce Commission by rule to establish and develop additional job incentive programs that use the skills development fund to create incentives for public community and technical colleges in partnership with one or more employers, including prospective employers who commit to establishing a place of business in Texas, to provide workforce training in an effort to create and retain employment opportunities in Texas. The bill authorizes the commission to commit money to a prospective employer contingent on the employer's establishment of a place of business in Texas under such a program.

EFFECTIVE DATE

On passage, or, if the act does not receive the necessary vote, the act takes effect September 1, 2009.