## **BILL ANALYSIS**

Senate Research Center 81R10555 KSD-F H.B. 2169 By: Chavez et al. (Hinojosa) Economic Development 5/5/2009 Engrossed

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

The Texas Workforce Commission (TWC) operates the skills development fund, which is used to assist employers and employees by funding job training projects. 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 amends the Labor Code to authorize TWC 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 TWC to commit money to a prospective employer contingent on the employer's establishment of a place of business in Texas under such a program.

## **RULEMAKING AUTHORITY**

Rulemaking authority is expressly granted to the Texas Workforce Commission in SECTION 1 (Section 303.003, Labor Code) of this bill.

## SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 303.003, Labor Code, by adding Subsection (b-1), as follows:

(b-1) Authorizes the Texas Workforce Commission (TWC) 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 this state, to provide workforce training in an effort to create and retain employment opportunities in this state. Authorizes TWC, under a program established under this subsection, to commit money to a prospective employer described by this subsection contingent on the employer's establishment of a place of business in this state.

SECTION 2. Effective date: upon passage or September 1, 2009.