

Corrected

CONFERENCE COMMITTEE REPORT FORM

Austin, Texas

5/25/2019  
Date

Honorable Dan Patrick  
President of the Senate

Honorable Dennis Bonnen  
Speaker of the House of Representatives

Sirs:

We, Your Conference Committee, appointed to adjust the differences between the Senate and the House of Representatives on HB 700 have had the same under consideration, and beg to report it back with the recommendation that it do pass in the form and text hereto attached.

Dwight Powell  
Powell  
Prunch Cybis  
Cybis  
Creighton  
Creighton  
Fallon  
Fallon  
Peter P. Lu  
Lu  
Flores  
Flores  
Zaffini  
Zaffini  
On the part of the Senate

Rod Guillen  
Guillen  
Charles Anderson  
Anderson  
Rob Fierro  
Fierro  
Juan Lucio  
Lucio  
Blair Wray  
Wray  
On the part of the House

Note to Conference Committee Clerk:

Please type the names of the members of the Conference Committee under the lines provided for signature. Those members desiring to sign the report should sign each of the six copies. Attach a copy of the Conference Committee Report and a Section by Section side by side comparison to each of the six reporting forms. The original and two copies are filed in house of origin of the bill, and three copies in the other house.



CORRECTED

CONFERENCE  
COMMITTEE REPORT

3<sup>rd</sup> Printing

H.B. No. 700

A BILL TO BE ENTITLED

1 AN ACT  
2 relating to the use of the skills development fund by certain  
3 entities and a study and report regarding the effectiveness of that  
4 fund.

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

6 SECTION 1. Section 303.001(a), Labor Code, is amended to  
7 read as follows:

8 (a) The purpose of this chapter is to remove administrative  
9 barriers that impede the response of public community and technical  
10 colleges, community-based organizations, local workforce  
11 development boards, and the Texas A&M Engineering Extension Service  
12 to industry and workforce training needs and to develop incentives  
13 for public community and technical colleges, community-based  
14 organizations, local workforce development boards, and the Texas  
15 A&M Engineering Extension Service to provide customized assessment  
16 and training in a timely and efficient manner.

17 SECTION 2. Section 303.002(b), Labor Code, is amended to  
18 read as follows:

19 (b) A public community or technical college or the Texas A&M  
20 Engineering Extension Service may recover customized assessment  
21 and training costs incurred by the institution if:

22 (1) there is an actual or projected labor shortage in  
23 the occupation in which training is provided that is not being met  
24 by an existing institution or program in the area; and

1           (2) the wages at the time of job placement for  
2 individuals who successfully complete customized training at the  
3 public community or technical college or the Texas A&M Engineering  
4 Extension Service are equal to the prevailing wage for that  
5 occupation in the local labor market area.

6           SECTION 3. Sections 303.003(b), (f), (g), and (h), Labor  
7 Code, are amended to read as follows:

8           (b) The skills development fund may be used by public  
9 community and technical colleges, community-based organizations,  
10 local workforce development boards, and the Texas A&M Engineering  
11 Extension Service as start-up or emergency funds for the following  
12 job-training purposes:

13           (1) developing customized training programs for  
14 businesses and trade unions; and

15           (2) sponsoring small and medium-sized business  
16 networks and consortiums.

17           (f) The Texas A&M Engineering Extension Service shall focus  
18 the service's training activities under this chapter on programs  
19 that:

20           (1) are statewide in nature; or

21           (2) are not available from a local junior college  
22 district, a local technical college, or a consortium of junior  
23 college districts.

24           (g) This section does not prohibit the Texas A&M Engineering  
25 Extension Service from participating in a consortium of junior  
26 college districts or with a technical college that provides  
27 training under this chapter.

1           (h) A community-based organization may apply for money to  
2 participate in a training program only in partnership with a  
3 community and technical college or the Texas A&M Engineering  
4 Extension Service. A community-based organization providing  
5 services regulated by the state shall provide evidence of any  
6 certification, license, or registration required by law.

7           SECTION 4. (a) The Texas Workforce Commission shall  
8 conduct a study on and develop recommendations for increasing the  
9 effectiveness of the skills development fund established under  
10 Chapter 303, Labor Code. The recommendations must include  
11 strategies for better achieving the fund's purposes, improving  
12 outcomes, and expanding participation in the opportunities  
13 available through the fund.

14           (b) Not later than December 1, 2020, the Texas Workforce  
15 Commission shall submit to the governor, the lieutenant governor,  
16 the speaker of the house of representatives, and the chairs of the  
17 legislative committees with appropriate jurisdiction a report  
18 detailing the commission's findings and recommendations under  
19 Subsection (a) of this section.

20           SECTION 5. This Act takes effect September 1, 2019.

**House Bill 700**  
Conference Committee Report  
Section-by-Section Analysis

HOUSE VERSION

SECTION 1. Section 303.001(a), Labor Code, is amended to read as follows:

(a) The purpose of this chapter is to remove administrative barriers that impede the response of public community and technical colleges, community-based organizations, local workforce development boards, public libraries, and the Texas A&M Engineering Extension Service to industry and workforce training needs and to develop incentives for public community and technical colleges, community-based organizations, local workforce development boards, public libraries, and the Texas A&M Engineering Extension Service to provide customized assessment and training in a timely and efficient manner.

SECTION 2. Section 303.002(b), Labor Code, is amended.

SECTION 3. Sections 303.003(b), (f), (g), and (h), Labor Code, are amended to read as follows:

(b) The skills development fund may be used by public community and technical colleges, community-based organizations, local workforce development boards, public libraries, and the Texas A&M Engineering Extension Service as start-up or emergency funds for the following job-training purposes:

- (1) developing customized training programs for businesses and trade unions; and
- (2) sponsoring small and medium-sized business networks and consortiums.

SENATE VERSION (IE)

SECTION 1. Section 303.001(a), Labor Code, is amended to read as follows:

(a) The purpose of this chapter is to remove administrative barriers that impede the response of public community and technical colleges, community-based organizations, local workforce development boards, and the Texas A&M Engineering Extension Service to industry and workforce training needs and to develop incentives for public community and technical colleges, community-based organizations, local workforce development boards, and the Texas A&M Engineering Extension Service to provide customized assessment and training in a timely and efficient manner. [FA1]

SECTION 2. Same as House version.

SECTION 3. Sections 303.003(b), (f), (g), and (h), Labor Code, are amended to read as follows:

(b) The skills development fund may be used by public community and technical colleges, community-based organizations, local workforce development boards, and the Texas A&M Engineering Extension Service as start-up or emergency funds for the following job-training purposes: [FA1]

- (1) developing customized training programs for businesses and trade unions; and
- (2) sponsoring small and medium-sized business networks and consortiums.

CONFERENCE

SECTION 1. Same as Senate version.

SECTION 2. Same as House version.

SECTION 3. Same as Senate version.

**House Bill 700**  
Conference Committee Report  
Section-by-Section Analysis

HOUSE VERSION

(f) The Texas A&M Engineering Extension Service shall focus the service's training activities under this chapter on programs that:

- (1) are statewide in nature; or
- (2) are not available from a local junior college district, a local technical college, or a consortium of junior college districts.

(g) This section does not prohibit the Texas A&M Engineering Extension Service from participating in a consortium of junior college districts or with a technical college that provides training under this chapter.

(h) A community-based organization may apply for money to participate in a training program only in partnership with a community and technical college or the Texas A&M Engineering Extension Service. A community-based organization providing services regulated by the state shall provide evidence of any certification, license, or registration required by law.

*No equivalent provision.*

SENATE VERSION (IE)

(f) The Texas A&M Engineering Extension Service shall focus the service's training activities under this chapter on programs that:

- (1) are statewide in nature; or
- (2) are not available from a local junior college district, a local technical college, or a consortium of junior college districts.

(g) This section does not prohibit the Texas A&M Engineering Extension Service from participating in a consortium of junior college districts or with a technical college that provides training under this chapter.

(h) A community-based organization may apply for money to participate in a training program only in partnership with a community and technical college or the Texas A&M Engineering Extension Service. A community-based organization providing services regulated by the state shall provide evidence of any certification, license, or registration required by law.

Same as House version.

CONFERENCE

SECTION 4. (a) The Texas Workforce Commission shall conduct a study on and develop recommendations for increasing the effectiveness of the skills development fund established under Chapter 303, Labor Code. The recommendations must include strategies for better achieving the fund's purposes, improving outcomes, and expanding participation in the opportunities available through the fund.

(b) Not later than December 1, 2020, the Texas Workforce Commission shall submit to the governor, the lieutenant governor, the speaker of the house of representatives, and the chairs of the legislative committees with appropriate

**House Bill 700**  
Conference Committee Report  
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HOUSE VERSION

SENATE VERSION (IE)

CONFERENCE

jurisdiction a report detailing the commission's findings and recommendations under Subsection (a) of this section.

*[The conference committee may have exceeded the limitations imposed on its jurisdiction, but only the presiding officer can make the final determination on this issue.]*

SECTION 4. Effective date.

SECTION 4. Same as House version.

SECTION 5. Same as House version.



**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 86TH LEGISLATIVE REGULAR SESSION**  
**Revision 1**

**May 25, 2019**

**TO:** Honorable Dan Patrick, Lieutenant Governor, Senate  
Honorable Dennis Bonnen, Speaker of the House, House of Representatives

**FROM:** John McGeady, Assistant Director    Sarah Keyton, Assistant Director  
Legislative Budget Board

**IN RE: HB700** by Guillen (Relating to the use of the skills development fund by certain entities and a study and report regarding the effectiveness of that fund. ), **Conference Committee Report**

<b>No significant fiscal implication to the State is anticipated.</b>
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The bill would amend the Labor Code relating to the use of the skills development fund by certain entities. Based on the analysis of the Texas Workforce Commission, it is assumed that the duties and responsibilities associated with implementing the provisions of the bill could be accomplished by utilizing existing resources.

**Local Government Impact**

No significant fiscal implication to units of local government is anticipated.

**Source Agencies:** 320 Texas Workforce Commission, 701 Texas Education Agency

**LBB Staff:** WP, SZ, CLo, SGr, CP, AF

**LEGISLATIVE BUDGET BOARD  
Austin, Texas**

**FISCAL NOTE, 86TH LEGISLATIVE REGULAR SESSION**

**May 25, 2019**

**TO:** Honorable Dan Patrick, Lieutenant Governor, Senate  
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**FROM:** John McGeady, Assistant Director    Sarah Keyton, Assistant Director  
Legislative Budget Board

**IN RE: HB700** by Guillen (Relating to the use of the skills development fund by certain entities. ), **Conference Committee Report**

<p><b>No significant fiscal implication to the State is anticipated.</b></p>
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The bill would amend the Labor Code relating to the use of the skills development fund by certain entities. The bill would allow apprenticeship training programs administered by private entities to become an eligible recipient of Skills Development grant funds. This analysis assumes that the allowance of grants to apprenticeship training programs would have a minimal effect on the overall level of awards. Based on the analysis of the Texas Workforce Commission, it is assumed that the duties and responsibilities associated with implementing the provisions of the bill could be accomplished by utilizing existing resources.

**Local Government Impact**

No significant fiscal implication to units of local government is anticipated.

**Source Agencies:** 320 Texas Workforce Commission, 701 Texas Education Agency

**LBB Staff:** WP, SZ, CLo, SGr, CP, AF

**Certification of Compliance with  
Rule 13, Section 6(b), House Rules of Procedure**

Rule 13, Section 6(b), House Rules of Procedure, requires a copy of a conference committee report signed by a majority of each committee of the conference to be furnished to each member of the committee in person or, if unable to deliver in person, by placing a copy in the member's newspaper mailbox at least one hour before the report is furnished to each member of the house under House Rule 13, Section 10(a). The paper copies of the report submitted to the chief clerk under Rule 13, Section 10(b), must contain a certificate that the requirement of Rule 13, Section 6(b), has been satisfied, and that certificate must be attached to the copy of the report furnished to each member under Rule 13, Section 10(d). Failure to comply with this requirement is not subject to a point of order under Rule 13.

I certify that a copy of the conference committee report on HB 700 was furnished to each member of the conference committee in compliance with Rule 13, Section 6(b), House Rules of Procedure, before submission of the paper copies of the report to the chief clerk under Rule 13, Section 10(b), House Rules of Procedure.

Pat Guillet  
(name)

5/25/2019  
(date)