

SUBJECT: Revising application criteria for the Skills Development Fund

COMMITTEE: International Relations & Economic Development — committee substitute recommended

VOTE: 8 ayes — Button, Ordaz, Bumgarner, Clardy, Hayes, Meza, C. Morales, Shine
0 nays
1 absent — Plesa

WITNESSES: For — Detra Davidson, Jon Tucker Construction, LTD (*Registered, but did not testify*; Jennifer Carter, Foodwill Central Texas; Sarah Douglas, National Federation of Independent Business; J.D. Hale, Texas Association of Builders; Stephanie Matthews, Texas Association of Business; Mike Meroney, Texas Association of Manufacturers; Carlton Schwab, Texas Economic Development Council; Ashley Harris, United Ways of Texas)
Against — None
On — Mary York, Resource Witness from Texas Workforce Commission; Phil Shackelford, Texas Workforce Association

BACKGROUND: Labor Code sec. 303.003 states that a community based organization may apply for money to participate in a workforce training program only in partnership with a community college or the Texas A&M Engineering Extension Service.
Some have suggested that allowing small businesses to work directly with the Texas Workforce Commission (TWC) would help ensure access to skills development funds for community-based organizations that may be unable to partner with the designated parties.

DIGEST: CSHB 1338 would revise the application criteria in Labor Code sec.

303.003 to allow a community-based organization to apply if, at least 90 days before the organization applied, the organization submitted to a community and technical college or the Texas A&M Engineering Extension a written request for a partnership and had been unable to obtain the partnership.

The organization applying for funding would be required to provide evidence of any certification, license, or registration required by law to the commission.

The bill would take effect September 1, 2023 and would apply only to an application submitted on or after the effective date.