

1-1 By: Phelan, et al. (Senate Sponsor - Alvarado) H.B. No. 2784
 1-2 (In the Senate - Received from the House May 13, 2019;
 1-3 May 13, 2019, read first time and referred to Committee on Business
 1-4 & Commerce; May 20, 2019, reported adversely, with favorable
 1-5 Committee Substitute by the following vote: Yeas 7, Nays 1;
 1-6 May 20, 2019, sent to printer.)

1-7 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-8	X			
1-9	X			
1-10		X		
1-11			X	
1-12				X
1-13	X			
1-14	X			
1-15	X			
1-16	X			
1-17	X			

1-18 COMMITTEE SUBSTITUTE FOR H.B. No. 2784 By: Nichols

1-19 A BILL TO BE ENTITLED
 1-20 AN ACT

1-21 relating to the creation of the Texas Industrial Workforce
 1-22 Apprenticeship Grant Program.

1-23 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-24 SECTION 1. Chapter 481, Government Code, is amended by
 1-25 adding Subchapter EE to read as follows:

1-26 SUBCHAPTER EE. TEXAS INDUSTRIAL WORKFORCE APPRENTICESHIP GRANT
 1-27 PROGRAM

1-28 Sec. 481.601. PURPOSE. The purpose of the Texas Industrial
 1-29 Workforce Apprenticeship Grant Program is to address the immediate
 1-30 industrial workforce needs of this state resulting from the impact
 1-31 of Hurricane Harvey and overall workforce shortages.

1-32 Sec. 481.602. DEFINITIONS. In this subchapter:

1-33 (1) "Apprenticeship program" means a training program
 1-34 that provides on-the-job training, preparatory instruction,
 1-35 supplementary instruction, or related instruction in a trade that
 1-36 has been recognized as an apprenticeable occupation by the Office
 1-37 of Apprenticeship of the United States Department of Labor.

1-38 (2) "Person" does not include a governmental entity.

1-39 Sec. 481.603. PROGRAM. The office shall establish and
 1-40 administer the Texas Industrial Workforce Apprenticeship Grant
 1-41 Program to encourage the private sector to develop specialized
 1-42 industrial workforce apprenticeship programs in this state. Under
 1-43 the program, the office shall provide grants for persons who meet
 1-44 the requirements of Section 481.605.

1-45 Sec. 481.604. TEXAS INDUSTRIAL WORKFORCE APPRENTICESHIP
 1-46 FUND. (a) The Texas industrial workforce apprenticeship fund is a
 1-47 dedicated account in the general revenue fund.

1-48 (b) The following amounts shall be deposited in the fund:

1-49 (1) money appropriated by the legislature for the fund
 1-50 for purposes described by this subchapter;

1-51 (2) interest earned on the investment of money in the
 1-52 fund; and

1-53 (3) gifts, grants, and other donations received for
 1-54 the fund.

1-55 (c) The fund may be used only for an apprenticeship program
 1-56 that meets the requirements of Section 481.605.

1-57 Sec. 481.605. APPLICATION; ELIGIBILITY FOR GRANT. To be
 1-58 eligible to receive a grant under this subchapter, a person must:

1-59 (1) if the person is an entity, be in good standing
 1-60 under the laws of the state in which the person was formed or

2-1 organized, as evidenced by a certificate issued by the secretary of
 2-2 state or the state official of another state having custody of the
 2-3 records pertaining to a person formed or organized under the laws of
 2-4 that state;
 2-5 (2) not owe delinquent taxes to a taxing unit of this
 2-6 state; and
 2-7 (3) have in place an apprenticeship program that:
 2-8 (A) provides on-the-job training under an
 2-9 industry-recognized, accredited training curriculum;
 2-10 (B) guarantees employment for participants
 2-11 during and on completion of the training period;
 2-12 (C) provides eligibility for participants to
 2-13 receive full-time employee benefits during and on completion of the
 2-14 training period;
 2-15 (D) requires participants to advance their
 2-16 skills, at a minimum, to a credentialed mid-level status in the
 2-17 field related to the apprenticeship program;
 2-18 (E) has a duration of not less than 16 weeks and
 2-19 not more than 26 weeks; and
 2-20 (F) gives preference to training and hiring:
 2-21 (i) unemployed Texans who have filed with
 2-22 the Texas Workforce Commission;
 2-23 (ii) veterans of the United States armed
 2-24 forces;
 2-25 (iii) formerly incarcerated individuals;
 2-26 and
 2-27 (iv) underemployed individuals who are
 2-28 working without industry-recognized certifications or other
 2-29 credentials.
 2-30 Sec. 481.606. LIMITATIONS ON GRANT AMOUNT AND USE. The
 2-31 amount of a grant awarded under this subchapter may not exceed
 2-32 \$10,000 per apprenticeship program participant and may be used only
 2-33 to reimburse the cost of training, not including wages and
 2-34 benefits.
 2-35 Sec. 481.607. REQUIREMENTS; GRANT AWARD. (a) The office
 2-36 shall distribute the grant funds as a reimbursement for training
 2-37 costs incurred by grant recipients in accordance with Section
 2-38 481.606.
 2-39 (b) Before awarding a grant to a person under this
 2-40 subchapter, the office must determine that a sufficient number of
 2-41 apprenticeship program participants have:
 2-42 (1) completed the program and achieved the training
 2-43 requirements specified by Section 481.605(3)(D); and
 2-44 (2) maintained available and suitable employment for a
 2-45 period of not less than six months cumulatively after completion of
 2-46 the apprenticeship program.
 2-47 (c) The executive director by rule may develop the criteria
 2-48 for making the determinations required by Subsection (b).
 2-49 Sec. 481.608. PROGRAM RULES. (a) The executive director
 2-50 shall adopt rules to administer and enforce this subchapter.
 2-51 (b) The office shall post the rules on its Internet website.
 2-52 Sec. 481.609. ANNUAL REPORT. (a) Not later than December 1
 2-53 of each year, the office shall submit to the lieutenant governor,
 2-54 the speaker of the house of representatives, and the members of the
 2-55 legislature a report on grants made under this subchapter that
 2-56 states:
 2-57 (1) the number of direct jobs each grant recipient
 2-58 created in this state in each job category of the federal Equal
 2-59 Employment Opportunity Commission's job classification guide;
 2-60 (2) the median wage of the jobs each grant recipient
 2-61 created in this state;
 2-62 (3) the total amount of each grant awarded to a grant
 2-63 recipient; and
 2-64 (4) the number and categorization of apprenticeship
 2-65 program participants trained and employed by each grant recipient
 2-66 under Section 481.605(3)(F).
 2-67 (b) The report may not include information that is made
 2-68 confidential by law.
 2-69 (c) The office may require a grant recipient under this

3-1 subchapter to submit, on a form provided by the office, information
3-2 required to complete the report.

3-3 (d) The office shall post the annual report on its Internet
3-4 website.

3-5 SECTION 2. This Act takes effect September 1, 2019.

3-6 * * * * *