

BILL ANALYSIS

Senate Research Center
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H.B. 2478
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Economic Development
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Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

In its report to the 82nd Legislature, the House Interim Committee on Manufacturing recommended that the legislature identify current and potential job shortages by class and develop additional training capacity for the most undersupplied classes of jobs. While the global economic downturn affected most Texans, not all Texans were affected equally. For Texas to remain economically competitive, the state must do all it can to obtain, provide, and act on useful data concerning which socioeconomic groups would best benefit from career training programs. With an understanding of the jobs and skills deficits of key industrial categories, lawmakers and the business community would be better equipped to develop additional training capacities and programs for the most undersupplied classes of jobs.

H.B. 2478 seeks to address these concerns in keeping with that recommendation by providing for a study to identify current and potential job shortages. This bill requires the Texas Workforce Commission (TWC) to consolidate existing information about job and skills shortages in key industries. The bill requires TWC to submit this information in an annual report to legislators and the governor.

The value of this report lies in the fact that it addresses deficits for a spectrum of major industries. In implementing the provisions of this bill, TWC has the ability to consult credible reference sources to compile this report, such as the United States Census, the American Community Survey, and TWC's own labor market databases.

H.B. 2478 amends current law relating to the collection, study, and reporting by the Texas Workforce Commission of certain information regarding shortages in high-wage, high-demand occupations.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Subchapter A, Chapter 302, Labor Code, by adding Section 302.019, as follows:

Sec. 302.019. OCCUPATIONAL SHORTAGE STUDY; REPORT. (a) Requires the Texas Workforce Commission (TWC) to gather and study information relating to existing and projected shortages in high-wage, high-demand occupations in this state. Requires that the study conducted by TWC under this section include information on existing and projected shortages in high-wage, high-demand occupations in industrial job sectors, including construction, manufacturing, agriculture, forestry, health care and social services, education, transportation and warehousing, mining, quarrying, and oil and gas extraction, utilities, wholesale trade, retail trade, finance and insurance, professional, scientific, and technical services, and hospitality and food services.

(b) Requires TWC, not later than January 1 of each year, to submit to the governor, the lieutenant governor, the speaker of the house of representatives, and

the presiding officer of each standing committee or subcommittee of the legislature with primary jurisdiction over workforce development matters a detailed report summarizing the results of TWC's study under this section for the most recent state fiscal year and any suggestions and recommendations for legislative action TWC considers appropriate resulting from that study.

SECTION 2. Requires TWC to submit the initial report to the governor and the legislature as required by Section 302.019, Labor Code, as added by this Act, not later than January 1, 2015.

SECTION 3. Effective date: upon passage or September 1, 2013.