

December 8th, 2021

Mr. John Goodell
General Counsel
Texas Veterans Commission
P.O. Box 12277
Austin, Texas 78711

RE: Energy Industry Program for Veteran Professional Development

Dear Mr. Goodell:

Texas 2036 supported House Bill 33 during the 87th Regular Session of the Texas Legislature. Towards that end, we registered in support of the bill when it was heard in the House and the Senate. In light of Texas 2036's support of HB 33, we offer the following comments regarding the Texas Veterans Commission's (TVC) proposed amendment to Title 40, Part 15, Texas Administrative Code (TAC), establishing the Energy Industry Program for Veteran Professional Development. This proposed rule was published in the December 3rd, 2021 volume of the *Texas Register*.

Texas 2036 offers two recommendations regarding the proposed rule's language. First, as drafted, the proposed rule provides that TVC will provide veterans with certain information for training or employment in the "energy industry." Neither the proposed rule nor the statute added by HB 33 offer any specificity regarding the constitution of the energy industry. Therefore, the proposed rule should be amended to define what qualifies as a constituent of the energy industry. Towards that end, we recommend amending proposed rule 40 TAC §464.2 by adding a new subsection to read as follows:

(__). Energy Industry. For the purposes of this chapter, "energy industry" includes any industry relating to the production, storage, and conveyance of oil, natural gas, hydroelectric, wind, nuclear, solar, or geothermal energy; coal or uranium production; energy storage systems; compressed natural gas (CNG), liquefied natural gas (LNG), liquefied petroleum gas (LPG), or hydrogen fuel production, distribution, and system installation; carbon capture development; water infrastructure; electric grid resilience and protection; and sector-related cybersecurity.

This amendment offers two benefits to TVC's implementation on HB 33. First, the amendment provides greater specificity and clarification regarding eligible sectors within the energy industry for which veterans may receive certification or training assistance. Leaving the term "energy industry" undefined invites broad, and potentially overbroad, interpretation of qualifying activities. Adding specificity within the rule establishes clear



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lines regarding qualifying activities. Moreover, this specificity would enable and invite other state agencies with oversight over the energy industry, including the Railroad Commission, Public Utility Commission, and Texas Commission on Environmental Quality, to assist with this worthwhile program's promotion.

The second benefit to adding this language to the proposed rule is that it could help Texas' broader efforts towards pursuing federal workforce development funds made available by the federal Infrastructure Investment and Jobs Act (IIJA) that became law in November. The IIJA creates several workforce development programs centered on specific segments within the energy industry. Specifically, the Act establishes programs for hydrogen, natural gas, and propane (LNG) fueling infrastructure; energy sector-related cybersecurity; and water infrastructure-related workforce development. Amending proposed 40 TAC §464.2 to include these and other listed energy industry sectors would meaningfully align TVC's program with others recently established by federal law, potentially paving the way for Texas to receive federal dollars for these workforce training programs while helping our veterans.

Additionally, we think it important to address why our recommended definition includes water infrastructure. Absent clean, reliable water supplies, many of the sectors described in the recommended amendment would not be able to operate. Moreover, Texas has a growing need for qualified, trained water infrastructure personnel. According to a *Texas + Water* survey of 250 water utilities, 72.8% attested that they are concerned about their ability to maintain their current or future workforce. Given this concern, combined with water's critical role in the energy industry, we think it appropriate to make this recommendation.

The second recommendation we have for the proposed rule is to expand TVC's administration of the Energy Industry Program for Veteran Professional Development. The proposed rule establishes a process whereby veterans can receive assistance by visiting the American Job Center/Workforce Solutions website, enrolling in the Work in Texas job matching program, and providing required documentation. The language of HB 33, however, requires that TVC establish a "program". While the proposed process in rule 40 TAC §462.3 is a commendable first step, we recommend expanding the rule to better define a program. Towards that end, we recommend the following revisions to the proposed rule:

§462.3. Program [~~Process~~].

(a) The Commission shall assist[s] veterans by providing information on federal and state resources that are available to assist them in obtaining training or employment in the State's energy industry.



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(b) To receive assistance from the Energy Industry Program for Veteran Professional Development through the Commission, a veteran must:

- (1) Visit the American Job Center/Workforce Solutions and enroll in the Work in Texas job matching system; and
- (2) provide documentation as required to staff for determination of assistance available to veterans.

(c) The Commission will engage in outreach efforts with the energy industry for the purposes of distributing information about the Program and identifying potential employment opportunities for eligible veterans.

These changes to the proposed rule fulfill the statutory requirement that TVC establish a program in a meaningful way. While HB 33 requires that TVC work with the General Land Office to make veterans aware of this program, we think that the TVC should make efforts to ensure that energy industry employers are also aware of its availability.

While HB 33 requires coordination between TVC and the GLO, alignment with the efforts of other state agencies would further aid implementation and maximize the impact of the bill. Towards that end, we recommend that TVC's implementation of HB 33 work in tandem with the agency's obligations under House Bill 3767 and Senate Bill 475.

We encourage TVC to engage the Texas Education Agency, Texas Higher Education Coordinating Board, and Texas Workforce Agency – together referred to as the Tri-Agency – to ensure HB 33 implementation consistent with the state's workforce development goals and strategies. House Bill 3767 (87R) requires that the Tri-Agency adopt workforce development goals by January 31, 2022, and strategies to achieve those goals by April 30, 2022. Further, HB 3767 requires that state agencies receiving federal or state dollars for career education and training programs describe how their expenditures align with the workforce development goals in their biennial legislative appropriations requests. The front-end alignment of HB 33 with the workforce development goals and strategies will not only meet statutory expectations, but also maximize workforce opportunities for Texas veterans.

Finally, Senate Bill 475 (87R) creates a state agency Data Management Advisory Committee and requires state agencies with more than 150 employees to have a designated data management officer. As an agency impacted by this bill, TVC has the opportunity to further integrate its data systems with other state agencies -- including GLO, THECB, TWC, and the Railroad Commission -- allowing for improved customer service for veterans whose needs are concurrently served by other agencies engaged in energy workforce issues.



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Thank you for your time and consideration of these comments. We welcome the opportunity to discuss these comments, and the suggested amendments with you further.

Sincerely,

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CC:
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The Honorable Alex Dominguez
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