

BILL ANALYSIS

C.S.H.B. 2492

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Technology, Economic Development & Workforce
Committee Report (Substituted)

BACKGROUND AND PURPOSE

The high school drop out rate is too high, and recidivism among young offenders is rising. There is a lack of strong and successful rehabilitative programs in Texas, and the state is experiencing a growing demand for a well-trained green collar work force combined with a need for affordable energy efficient projects to be completed. This bill seeks to increase the creation and efficacy of programs that address all of these issues by establishing the Texas Sustainable Youth Program.

The program will promote economic self-sufficiency for youth by providing opportunities to acquire job skills while performing community service activities. The program will also create opportunities for communities to restore abandoned properties and historic areas and enhance public places as well as create the availability of affordable, energy-efficient housing for individuals and families of low income.

C.S.H.B. 2492 creates the Texas Sustainable Youth Program administered by the Texas Workforce Commission (TWC) to fund programs through grant awards that provide green job training, a high school education or GED, and access to counseling and support services for at-risk youth and juveniles. The bill requires TWC to award grants to eligible organizations that demonstrate successful experience in providing integrated green job training and education and counseling and support services for high school dropouts or at-risk youth.

RULEMAKING AUTHORITY

It is the committee's opinion that rulemaking authority is expressly granted to the Texas Workforce Commission in SECTION 1 of this bill.

ANALYSIS

C.S.H.B. 2492 amends the Labor Code to establish the Texas Sustainable Youth Program in the Texas Workforce Commission (TWC) as a workforce training and development program. The bill requires TWC to administer the program and authorizes TWC to employ personnel as necessary to administer the program. The bill establishes that the program is funded by appropriations from the legislature and other available money, including funds from federal agencies identified by TWC, the Texas Youth Commission (TYC), the Texas Juvenile Probation Commission, the Texas Department of Criminal Justice (TDCJ), the Texas Education Agency (TEA), or other state agencies. The bill authorizes TWC to solicit and accept gifts, grants, and other donations for operation of the program. The bill prohibits TWC from providing more than 75 percent of the money budgeted for a project. The bill requires TWC to adopt rules as necessary to implement the program, including rules for auditing grants awarded and accountability requirements for grant recipients. The bill requires TWC to report to the governor and the legislature in January of each year on the status of the program as of the end of the previous state fiscal year. The bill requires the annual report to include for the fiscal year the number of grants awarded; the total dollar amount of grants awarded; the geographical distribution of grants awarded; the number of youths and other participants enrolled in projects funded by grants; the number of youths and other participants who are projected to secure full-

time jobs at the conclusion of participation in projects funded by grants; the number of youths who are projected to graduate from high school or receive a high school equivalency certificate while participating in the program; the number of housing units and other buildings constructed, rehabilitated, or retrofitted through projects funded by grants; and the estimated dollar savings due to improved energy efficiency in projects funded by grants.

C.S.H.B. 2492 describes the purposes of the Texas Sustainable Youth Program. The bill requires an eligible participant to be an individual who is at least 16 years of age but not older than 24 years of age on the date of enrollment in a project and who is not attending high school and has not received a high school diploma or high school equivalency certificate or is attending high school or a program leading to a high school equivalency certificate but is at risk of dropping out of high school or the equivalency certification program and recommended for enrollment in the project by the high school or the equivalency certification program. The bill requires a program participant to also be an individual who is a member of a household that receives public assistance and earns not more than 80 percent of the area median income, is educationally disadvantaged, as defined by TWC rule, or is referred to the program by a school district, state agency, or court or is a veteran who is not older than 24 years of age on initial participation in the program.

C.S.H.B. 2492 requires the executive director of TWC to award grants under the program to eligible entities for projects that meet the requirements of the program. The bill requires an eligible grant recipient to use the grant for a project that provides authorized services to individuals eligible to participate in the program. The bill authorizes the following entities to apply to receive a grant: a private, nonprofit, tax-exempt organization; a public agency that operates a community-based youth employment training program; a community housing development organization certified by the state; a community educational facility as an alternative to placement to TYC and TDCJ; a corps-based community service organization including AmeriCorps, Southwest Conservation Corps, American Youthworks, and similar corps-based service organizations; an open-enrollment charter school approved by TEA that serves students 16 years of age or older; or a public school that serves students 16 years of age or older. The bill requires an eligible applicant to demonstrate that the applicant has at least three years of successful experience operating programs that benefit disadvantaged or at-risk youth, successful experience in counseling and support services for high school dropouts and at-risk youth, and successful experience in job training in the field of the eligible project. The bill establishes that a private school, as defined by law, or for-profit entity is not eligible to receive a grant under the program.

C.S.H.B. 2492 requires a grant application for a proposed project to be filed with TWC on a form prescribed by TWC and to include a statement of the amount of money requested; a description of the proposed project; a description of the applicant's qualifications, including the applicant's experience with youth, law enforcement agencies, and educational and community groups; a list of proposed sites for construction, rehabilitation, or retrofitting of housing or other buildings, if applicable; a description of proposed energy-efficient construction or rehabilitation activities, including an implementation schedule, if applicable; a description of the applicant's proposed procedures for recruiting and selecting participants in the project; a proposed budget, including procedures for auditing and accountability; a description of proposed financing for construction, rehabilitation, or retrofitting, if applicable; a list of relevant contracts or other arrangements between the applicant and public agencies that will facilitate implementation of the project; a list of prospective donations, grants, or in-kind contributions for the project that will supplement money received through the grant; a certification satisfactory to TWC of the applicant's compliance with state and federal anti-discrimination laws; and any other requirements that TWC establishes by rule.

C.S.H.B. 2492 requires a project for which a grant is received under the program to provide to a participant integrated green job occupational skills training and education, divided between practical, hands-on work experience at project sites and, if the participant has not received a high

school diploma or high school equivalency certificate, academic and project-based instruction designed to result in the attainment of a high school diploma or high school equivalency certificate, of which at least 50 percent of the instruction is devoted to applied academic instruction; and one or more of the following supplemental services: direct access to counseling and support services, including assessment and orientation services, life-skills training, peer tutoring, gang prevention techniques, parenting and child-care skills, and medical and legal screening and referrals; direct access to leadership training designed to develop ethics, citizenship, personal responsibility, critical thinking, and decision-making, problem-solving, and negotiation skills; direct access to assistance in making the transition from training to economic self-sufficiency, including career counseling, job placement, personal finance training, homebuyer education, and follow-up services; guidance and support in earning college scholarships; and after the participant leaves the program, follow-up support as necessary to ensure the participant's success in job placement or postsecondary education, for a period not to exceed 12 months from the date of the participant's initial enrollment in the project.

C.S.H.B. 2492 requires a project for which a grant is received under the program, to the extent authorized by federal law and regulations, to provide a training stipend to each participant enrolled in the project. The bill requires a training stipend to be in an amount determined by TWC rule, provided for a period not to exceed two years, and conditioned on the demonstration by the participant of improved job performance and personal responsibility as determined by TWC rule. The bill establishes that the stipend, to the extent authorized by federal law and regulations, does not count as income or resources for purposes of determining the eligibility of the participant or the participant's household for any form of public assistance or in determining the amount of that assistance. The bill authorizes the stipend to include a plan for incentives under which additional compensation is provided to a participant who demonstrates excellent attendance and performance.

C.S.H.B. 2492 requires a project for which a grant is received under the program to provide at least one of the following services: the construction, rehabilitation, or retrofitting of energy-efficient, affordable housing for individuals and families earning not more than 80 percent of the area median income, veterans of the United States armed forces, or individuals with a disability, as defined by law; the energy-efficient rehabilitation or retrofitting of a historic structure, as defined by law, a publicly owned facility, including a public school and a public facility that is part of a designated cultural district, or a facility, located in a low-income area as defined by TWC rule, that is owned by a private, nonprofit, tax-exempt organization listed in federal law, provides a public service, as defined by TWC, and is not owned, leased, or rented by a grant recipient; park and green space construction work, including trail building and the energy-efficient rehabilitation or retrofitting of park structures in state, county, and local parks or, subject to the availability of federal funds for the project, in national parks located in Texas; or a green job-training program that incorporates training of participants in renewable electric power, biofuels, deconstruction and reuse of materials, energy efficiency assessments, weatherization, the manufacture of sustainable products, or sustainable manufacturing processes and materials, and the activities of which benefit a person described above or a private, nonprofit, tax-exempt organization that is listed in federal law and provides a public service, as defined by TWC.

C.S.H.B. 2492 requires an entity awarded a grant for a project under the program to establish an advisory board for the project that includes senior staff of the entity operating the project, area employers, industrial leaders, representatives of nonprofit organizations representing low-income neighborhoods, and participants enrolled in the project; and a participant council to provide comments and suggestions regarding project policies. The bill establishes that not more than 10 percent of the grant money awarded under the program for a project may be used for administrative costs associated with the project. The bill authorizes TWC to reserve up to eight percent of grant funds for allocation to qualified organizations that have specific experience in successfully operating programs or providing services to individuals eligible to participate in the sustainable youth program to provide training and technical assistance to grant recipients. The bill defines "energy-efficient," "participant," "program," and "project."

EFFECTIVE DATE

September 1, 2009.

COMPARISON OF ORIGINAL AND SUBSTITUTE

C.S.H.B. 2492 establishes the Texas Sustainable Youth Program, rather than the Texas YouthBuild Program as in the original. The substitute differs from the original by specifying an individual who is enrolled in a project under the bill's provisions in the definition of "participant." The substitute differs from the original by including a retrofitting project in the definition of "project" and making conforming changes.

C.S.H.B. 2492 requires the Texas Workforce Commission (TWC) to report to the governor and the legislature in January of each year on the status of the program as of the end of the previous state fiscal year, rather than at the end of each state fiscal year as in the original. The substitute requires the annual report to include the number of youths and other participants who are projected to secure full-time jobs and the number of youths who are projected to graduate from high school, rather than the number of youths and other persons who secured permanent jobs and the number of youths who graduated from high school as in the original. The substitute removes a provision in the original requiring the annual report to include the rate of job placement among youths participating in the program.

C.S.H.B. 2492 requires the program to promote the economic self-sufficiency of youth and young veterans, rather than disadvantaged or at-risk youth, non-violent juvenile offenders, and young veterans as in the original.

C.S.H.B. 2492 differs from the original by making age requirements for participants apply on initial participation in the program. The substitute adds a provision not in the original to require a participant who is attending high school or an equivalency certification program to be recommended for enrollment in the project by the school or the program. The substitute removes a provision in the original requiring, as one of the alternative qualifications for being a program participant, that the individual be errant, homeless, or a potential ward of the Texas Department of Criminal Justice or the Texas Youth Commission.

C.S.H.B. 2492 differs from the original by specifying that a corps-based community service organization includes AmeriCorps, Southwest Conservation Corps, American Youthworks, and similar corps-based service organizations and that an open-enrollment charter school and a public school serve students 16 years of age or older for purposes of establishing entities that are eligible to receive a grant. The substitute differs from the original by removing references to property and housing acquisition in the program. The substitute removes a provision in the original allowing a project that receives a grant to develop a plan to provide certain services as an alternative to providing the services.

C.S.H.B. 2492 differs from the original by specifying that the project requirement to provide integrated green job skills training and education relates to occupational skills and that at least 50 percent of high school equivalency instruction must be devoted to applied academic instruction. The substitute identifies some services as supplemental services, and requires a project that receives a grant to provide one or more supplemental services, whereas the original requires provision of all of the listed services. The substitute adds a provision not in the original for follow-up support as necessary to ensure the participant's success in job placement or postsecondary education as a supplemental service.

C.S.H.B. 2492 differs from the original by specifying that the training stipend provided to each participant is provided and not counted as income or resources for assistance program purposes to the extent authorized by federal law and regulations. The substitute adds a provision not in

the original to authorize a stipend to include a plan for incentives under which additional compensation is provided to a participant who demonstrates excellent attendance and performance.

C.S.H.B. 2492 differs from the original by specifying that a project involving a facility located in a low-income area as defined by TWC rule and owned by certain tax-exempt organizations is eligible if the facility provides a public service and it not owned, leased, or rented by a grant recipient. The substitute differs from the original by specifying that a project involving certain green job-training programs is eligible if the program provides activities that benefit certain persons or certain tax-exempt organizations that provide a public service, as defined by TWC.

C.S.H.B. 2492 authorizes not more than 10 percent of the grant money awarded under the program for a project to be used for administrative costs associated with the project, rather than not more than 15 percent, as in the original.

C.S.H.B. 2492 adds a provision not in the original to authorize TWC to reserve up to eight percent of grant funds for allocation to qualified organizations that have specific experience in successfully operating programs or providing services to individuals eligible to participate in the sustainable youth program to provide training and technical assistance to grant recipients.