### **BILL ANALYSIS**

Senate Research Center 81R23855 CAS-D

C.S.S.B. 1313
By: Shapiro, Harris
Education
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Committee Report (Substituted)

#### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

Although Texas has a high participation in career and technical education (CTE) courses, the quality of those offerings varies widely across the state. Despite instances of excellence, the state lacks a systemic approach to encourage quality CTE statewide. With large numbers of skilled workforce likely to retire in the near future, the Texas economy will soon be facing a severe shortage of human capital. While all students need a common core of essential knowledge and skills, different students find alternative delivery methods and subject matter both relevant and rewarding. Quality CTE improves attendance rates, lowers dropout rates, increases graduate rates, and improves scores on standardized tests. It also prepares students for future workforce opportunities.

C.S.S.B. 1313 amends current law relating to the quality and accessibility of public school career and technical education programs and to assistance to students concerning postsecondary education and training.

# **RULEMAKING AUTHORITY**

Rulemaking authority is expressly granted to the State Board of Education in SECTION 2 (Section 28.002, Education Code) of this bill.

Rulemaking authority is expressly granted to the Texas Higher Education Coordinating Board in SECTION 9 (Section 61.0663, Education Code) and SECTION 11 (Section 61.0764, Education Code) of this bill.

Rulemaking authority is expressly granted to the comptroller of public accounts in SECTION 12 (Section 134.008, Education Code) of this bill.

# **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Section 7.009, Education Code, as follows:

BEST PRACTICES: CLEARINGHOUSE. (a) Requires the Texas Education Agency (TEA), in coordination with the Legislative Budget Board (LBB), to establish an online clearinghouse of information relating to best practices of campuses, school districts, and open-enrollment charter schools. Requires TEA, in addition to information required under Subsection (e), to determine the appropriate topic categories for which a campus, district, or charter school may submit best practices. Requires TEA, to the extent practicable, to ensure that information provided through the online clearinghouse is specific, actionable information relating to the best practices of highperforming and highly efficient campuses, districts, and open-enrollment charter schools and of academically acceptable campuses, districts, and open-enrollment charter schools that have demonstrated significant improvement in student achievement rather than general guidelines relating to campus, district, and open-enrollment charter school operation. Requires that the information be accessible by campuses, school districts, open-enrollment charter schools, and interested members of the public. Deletes existing text requiring TEA to establish an online clearinghouse of information relating to best practices of campuses and school districts regarding instruction, dropout prevention, public school finance, resource allocation, and business practices. Deletes existing text requiring TEA to ensure that information provided through the online clearinghouse is specific, actionable information relating to the best practices of high-performing and

highly efficient campuses and school districts, rather than general guidelines relating to campus and school district operation.

- (b) Requires TEA to solicit and collect from LBB, centers for education research established under Section 1.005 (Education Research Centers; Sharing Student Information), and school districts, campuses, and open-enrollment charter schools examples of best practices as determined by TEA under Subsection (a) and as required under Subsection (e). Deletes existing text requiring TEA to solicit and collect from LBB, centers for education research established under Section 1.005, and exemplary or recognized school districts, campuses, and open-enrollment charter schools, as rated under Section 39.072 (Accreditation Standards), examples of best practices relating to instruction, dropout prevention, public school finance, resource allocation, and business practices including best practices relating to curriculum, scope and sequence, compensation and incentive systems, bilingual education and special language programs, compensatory education programs, and the effective use of instructional technology, including online courses.
- (c) Authorizes, rather than requires, TEA to contract for the services of one or more third-party contractors to maintain, rather than develop, implement, and maintain, a system, of collecting and evaluating the best practices of campuses, school districts, and open-enrollment charter schools as provided by this section. Makes a conforming change.
- (d) Makes a conforming change.
- (e) Requires the online clearinghouse to collect and provide information relating to best practices in career and technology education, including:
  - (1) model programs that connect kindergarten through grade 12 to postsecondary employment or higher education in a seamless system that includes the use of quality internship programs;
  - (2) courses that teach, in an applied manner, the required curriculum under Section 28.002 (Required Curriculum);
  - (3) models of course scheduling that allows students to participate in a coherent sequence of career and technology courses while meeting the requirement adopted under Section 28.025 (High School Diploma and Certificate; Academic Achievement Record) that students complete four courses in each subject of the foundation curriculum under Section 28.002(a)(1) (regarding the required foundation curriculum that is required in school districts);
  - (4) counseling that assists students in identifying current or emerging high-demand, high-wage occupations appropriate for the student or other occupations appropriate for and of interest to the student; assists students in determining the skills needed for the occupations identified under Paragraph (A) (relating to counseling that assists students in identifying certain occupations); assists students in planning courses and schedules to acquire needed skills; connects students to employment opportunities and to institutions of higher education; provides a method to assess students' aptitudes or interests and informs students about career options and levels of education and training needed to obtain entry and advanced levels of employment in current and emerging occupations regionally and statewide; and
  - (5) the integration into and use for the career and technology education course sequences of Internet courses, interactive television, and other innovative methods of providing instruction.

(f) Provides that this subsection expires January 31, 2011. Requires TEA, not later than January 1, 2011, to report to the governor, lieutenant governor, speaker of the house of representatives, and chair of each standing committee of the legislature with primary jurisdiction over public education recommendations regarding how to use the clearinghouse established under this section as a dynamic technical assistance and support tool. Requires that the recommendations include recommendations regarding using the online clearinghouse to provide classroom teachers, school districts, and openenrollment charter schools with statewide access to high-quality curricula; consolidating access to similar state Internet web portals from a single Internet website; and providing students access to Internet-based academic and career counseling that includes cooperation among the relevant state agencies for the purpose of transitioning students, including students enrolled in a special education program under Subchapter A (Special Education Program), Chapter 29 (Educational Programs), from kindergarten through grade 12 to postsecondary employment or higher education.

SECTION 2. Amends Section 28.002, Education Code, by adding Subsection (d), to require the State Board of Education (SBOE), each time the Texas Higher Education Coordinating Board (THECB) revises the Internet database of THECB's official statewide inventory of workforce education courses, by rule to revise the essential knowledge and skills of any corresponding career and technology education curriculum as provided by Subsection (c) (regarding the requirement that SBOE and other entities of the public by rule to identify the essential knowledge and skills of each subject of the required curriculum that all students are expected to demonstrate).

SECTION 3. Amends Subchapter F, Chapter 29, Education Code, by adding Section 29.186, as follows:

Sec. 29.186. HIGH-DEMAND OCCUPATIONS LIST. (a) Requires the Texas Workforce Commission (TWC), in consultation with the Texas Workforce Investment Council (council), to develop a list of current or emerging high-demand, high-wage, high-skill occupations in this state that require licensure, certification, an associate degree, or a bachelor's degree. Requires TWC to provide the research and technical support for developing the list under this subsection.

- (b) Requires the council to consider the list developed under Subsection (a) and approve a list for submission to the commissioner. Requires the council, on approval of the list, to deliver the list to the commissioner.
- (c) Requires the commissioner, after consultation with the commissioner of higher education, to consider the list delivered under Subsection (b) and approve a final list of current or emerging high-demand, high-wage, high-skill occupations in this state that require licensure, certification, an associate degree, or a bachelor's degree.
- (d) Requires that the list of current or emerging high-demand, high-wage, high-skill occupations in this state that require licensure, certification, an associate degree, or a bachelor's degree be reviewed and approved under the process provided by this section every four years.

SECTION 4. Amends Sections 29.190(a) and (c), Education Code, as follows:

(a) Provides that a student is entitled to a subsidy under this section if the student successfully completes the career and technology program of a school district in which the student receives training and instruction for employment in a current or emerging high-demand, high-wage, or high-skill trade or occupation, rather than employment in a certain trade, as determined under Section 29.186, or is enrolled in a special education program under Subchapter A (Special Education Program); the student passes a certification examination to qualify for a license or certificate for the occupation, rather than the trade or occupation; and the student submits to the district a written application

in the form, time, and manner required by the district for the district to subsidize the cost of an examination described by Subdivision (2) (relating to entitling a student to a subsidy under this section if the student passes a certification examination to qualify for a license or certificate for the occupation), rather than demonstrates financial need. Makes nonsubstantive changes.

(c) Requires TEA, on approval by the commissioner, to pay each school district, rather than each eligible student, an amount equal to the cost paid by the district or student for the certification examination. Requires that a district, rather than a student, to obtain reimbursement for a subsidy under this section, pay the fee for the examination or pay the student the amount of the fee paid by the student for the examination and submit to the commissioner a written application on a form prescribed by the commissioner stating the amount of the fee paid under Subdivision (1) (relating to certain circumstances under which a student is entitled to a subsidy under this section) for the certification examination, rather than demonstrating financial need and the amount of the fee paid by the student for the certification examination.

SECTION 5. Amends Subchapter A, Chapter 33, Education Code, by adding Section 33.008, as follows:

Sec. 33.008. COUNSELING REGARDING COLLEGE AND CAREER READINESS AND POSTSECONDARY SUCCESS. (a) Requires each counselor at an elementary or middle or junior high school, including an open-enrollment charter school offering those grades, to advise students and their parents or guardians regarding the importance of higher education; coursework designed to prepare students for postsecondary education and training, including career and technology education; the opportunity while in high school to earn college credit and industry certification; and financial aid availability and requirements.

- (b) Requires that the information under Subsection (a) be provided in a manner that assists a student in establishing a personal graduation plan that leads to licensure, certification, an associate degree, or a bachelor's degree.
- (c) Requires a counselor, during the first school year a student is enrolled in a high school or at the high school level in an open-enrollment charter school, to provide to students and their parents or guardians information regarding higher education and coursework designed to prepare students for postsecondary education and training, including career and technology education, as part of any information provided to assist a student in establishing a personal graduation plan that leads to licensure, certification, an associate degree, or a bachelor's degree.
- (d) Requires that the career and technology education information provided under this section include information regarding available course and career options, including projected future demand for particular careers; current or emerging high-demand, high-wage, high-skill occupations; information concerning career options and levels of education and training needed to obtain entry and advanced levels of employment; certification requirements, licensing requirements, and higher education and training requirements, including skills needed and coursework required to meet those requirements; the opportunity while in high school to earn college credit and industry certification; obtaining an aptitude or interest assessment; and the advantages of completing the recommended or advanced high school program adopted under Section 28.025(a) (relating to requiring SBOE by rule to determine certain curriculum requirements).

SECTION 6. Amends Section 42.154(a), Education Code, to entitle a district, for each full-time equivalent student in average daily attendance in an approved career and technology education program in grades nine through 12 or in career and technology education programs for students with disabilities in grades seven through 12, to an annual allotment equal to the adjusted basic allotment multiplied by a weight of 1.35 and \$50, if the student is enrolled in two or more advanced career and technology education classes for a total of three or more credits, or an

advanced course as part of a tech-prep program under Subchapter T (Tech-Prep Education), Chapter 61 (Texas Higher Education Coordinating Board).

SECTION 7. Amends Section 54.0065(a), Education Code, to provide that a qualified student is eligible for a rebate of a portion of the undergraduate tuition the student has paid if the student has attempted no more than three hours in excess of the minimum number of semester credit hours required to complete the degree program, excluding course credit that is earned to satisfy requirements for a Reserve Officers' Training Corps (ROTC) program or from an articulated or a dual credit course for which the student received credit toward a high school diploma but that is not required to complete the degree program.

SECTION 8. Amends Section 61.0595(d), Education Code, to make conforming and nonsubstantive changes.

SECTION 9. Amends Subchapter C, Chapter 61, Education Code, by adding Section 61.0663, as follows:

Sec. 61.0663. ECONOMIC IMPACT STUDY. (a) Requires THECB, to assess the economic benefits and preparation for employment provided by public primary and secondary schools and institutions of higher education, to identify students enrolled in the public education system and collect data on which postsecondary program, if any, the students enroll in and the type of employment the students obtain following completion of high school or the program, as applicable.

- (b) Requires THECB, in consultation with TEA, TWC, and the comptroller of public accounts (comptroller), to use the education and employment data collected under Subsection (a), and any additional relevant data, to assess the economic impact of secondary and postsecondary training and education. Requires that the information be produced in a manner that demonstrates patterns of postsecondary enrollment and employment placement, provides an assessment of the economic benefits of institutions of higher education and programs at those institutions to students and the state, and provides an assessment of the economic benefit of public education programs that prepare students who transition directly to postsecondary employment.
- (c) Requires that the information produced under this section be capable of electronic dissemination and made available to the public in a format that assists students in making decisions regarding education and career choices.
- (d) Provides that this section does not authorize the disclosure of student information that may not be disclosed under the Family Educational Rights and Privacy Act of 1974 (20 U.S.C. Section 1232g). Requires THECB, in conjunction with the commissioner, the comptroller, and TWC, to adopt rules to protect the confidentiality of student information.

SECTION 10. Amends Section 61.0762, Education Code, as follows:

Sec. 61.0762. PROGRAMS TO ENHANCE STUDENT SUCCESS. (a) Creates this subsection from existing text.

(b) Requires THECB, as one of the programs adopted under Subsection (a)(5) (regarding other programs as determined by THECB that support the participation and success goals in "Closing the Gaps," the state's master plan for higher education), in coordination with the commissioner of education, to establish education resource centers (centers) to create within school communities interest in and information concerning attendance at institutions of higher education. Requires each center to attempt to coordinate among students, parents, school counselors, and institutions of higher education in providing access to resources helpful in preparation for attendance at and admission to institutions of higher education. Requires that one or more persons associated with each center be trained and able to assist the families of high school students complete the Free

Application for Federal Student Aid (FAFSA) form. Requires each center to provide information concerning career and technical education, including certification and licensing requirements and available course and career options and degree programs. Authorizes a center under this subsection to be located on a high school or middle school campus or at a site within a community that is conveniently located to many students, such as a public library or local workforce or community center, or is authorized to be a mobile center that visits schools or other places where students are likely to gather.

- (c) Requires THECB to conduct ongoing evaluations of programs developed under Subsection (a) and any other programs developed to provide information concerning postsecondary educational or employment opportunities to determine the effectiveness of the programs in meeting the goals of "Closing the Gaps," the state's master plan for higher education.
- (d) Requires THECB, in conjunction with the comptroller and TWC, to develop an Internet website for the purpose of providing information to the public about postsecondary educational and employment opportunities. Requires the website to provide certain information regarding career and technology education, employment opportunities, and financial aid opportunities in English and Spanish.
- (e) Authorizes THECB, for the purpose of developing the Internet website under Subsection (d), to require TEA to provide information on educational program and outcomes and TWC to provide information on workforce programs and outcomes.
- (f) Requires THECB, as one of the programs adopted under Subsection (a)(5), in conjunction with the comptroller and TWC, to establish mobile career centers that visit schools and other places where students are likely to gather. Requires the mobile career centers to provide students certain information on various occupations including future employment demand, earning potential, skills and training needed, a list of courses applicable to the occupation, and information concerning post entry-level employment opportunities in the occupation and information concerning the education required to access those opportunities.
- (g) Provides that the mobile career centers established under Subsection (f) are required to be operated, to the extent practicable, in coordination with one or more other governmental entities providing mobile programs, and are authorized to be funded only with private gifts, grants, or donations.

SECTION 11. Amends Subchapter C, Chapter 61, Education Code, by adding Section 61.0764, as follows:

Sec. 61.0764. ADULT BASIC EDUCATION PILOT PROGRAM. (a) Defines "pilot program."

- (b) Requires THECB, using funds appropriated for the purpose, by rule to establish a pilot program under which participating junior college districts and public technical institutes receive funding to establish adult education programs that focus on the provision of developmental education to support the transition from high school to college or a career and dropout recovery.
- (c) Requires a junior college district or public technical institute, to participate in the pilot program, to apply to THECB in the manner prescribed by THECB. Requires that the application include a detailed plan developed by the junior college district or public technical institute for the district's or institute's adult education program. Authorizes THECB to select for participation in the pilot program those junior college districts and public technical institutes whose plans serve the purposes of the pilot program as determined by THECB.
- (d) Authorizes THECB to adopt rules necessary to administer this section.

SECTION 12. Amends Subtitle G, Title 3, Education Code, by adding Chapter 134, as follows:

#### CHAPTER 134. JOBS AND EDUCATION FOR TEXANS (JET) GRANT PROGRAM

Sec. 134.001. DEFINITIONS. Defines "public junior college" and "public technical institute."

Sec. 134.002. JOBS AND EDUCATION FOR TEXANS (JET) FUND. (a) Requires the comptroller to establish and administer the Jobs and Education for Texans (JET) fund as a dedicated account in the general revenue fund.

(b) Requires that the following amounts be deposited in the fund: any amounts appropriated by the legislature for the fund for purposes of this subchapter; interest earned on the investment of money in the fund; and gifts, grants, and other donations received for the fund.

Sec. 134.003. ADVISORY BOARD. (a) Creates an advisory board of education and workforce stakeholders (advisory board) to assist the comptroller in administering this chapter.

- (b) Provides that the advisory board is composed of seven members who serve two-year terms and are appointed as follows: one member appointed by the governor, one member appointed by the lieutenant governor, one member appointed by the speaker of the house of representatives, one member appointed by THECB, one member appointed by TWC, one member of the public appointed by the comptroller, and the comptroller, who serves as the chairperson.
- (c) Requires the advisory board to meet at least once each quarter to review received applications and recommend awarding grants under this subchapter.

Sec. 134.004. JOBS AND EDUCATION FOR TEXANS (JET) GRANT PROGRAM. Requires the comptroller to establish and administer the JET Grant Program to provide grants to public junior colleges, public technical institutes, and eligible nonprofit organizations that apply to the advisory board in the manner prescribed by the advisory board. Requires the comptroller to award the grants on the advice and recommendations of the advisory board. Authorizes grants to be awarded under this subchapter from the JET fund for the following purposes: to expand and support programs that meet the requirements of Section 134.005 and that prepare low-income students for careers in high-demand occupations; to defray the startup costs associated with the development of new career and technical education programs that meet the requirements of Section 134.006; and to provide scholarships for students in career and technical education programs who meet the requirements of Section 134.007.

Sec. 134.005. GRANTS TO NONPROFIT ORGANIZATIONS FOR INNOVATIVE AND SUCCESSFUL PROGRAMS. (a) Authorizes the comptroller to award a grant to a nonprofit organization eligible under Subsection (b) for the development, support, or expansion of programs to prepare low-income students for careers in high-demand occupations.

- (b) Requires a nonprofit organization, to be eligible to receive a grant under this section, to:
  - (1) provide a program to offer assistance to low-income students in preparing for, applying to, and enrolling in a public junior college or public technical institute;
  - (2) be governed by a board or other governing structure that includes recognized leaders of broad-based community organizations and members of the local business community;

- (3) demonstrate to the satisfaction of the advisory board that the organization's program has achieved or will achieve the following measures of success among program participants, to the extent applicable to the type of program the organization provides: above average completion of developmental education among participating public junior college or public technical institute students; above average persistence rates among participating public junior college or public technical institute students; above average certificate or degree completion rates by participating students within a three-year period compared to demographically comparable public junior college and public technical institute students; and employment of participating students at an average full-time starting wage that is equal to or greater than the prevailing wage for the occupation entered; and
- (4) provide matching funds in accordance with rules adopted under Section 134.008.
- (c) Authorizes the matching funds required under Subsection (b)(4) to be obtained from any source available to the nonprofit organization, including inkind contributions, community or foundation grants, individual contributions, and local governmental agency operating funds.
- (d) Requires that grants awarded under this section be awarded in a manner that takes a balanced geographical distribution into consideration.

Sec. 134.006. GRANTS TO EDUCATIONAL INSTITUTIONS FOR CAREER AND TECHNICAL EDUCATION PROGRAMS. (a) Authorizes the comptroller to award a grant for the development of new career and technical education courses or programs at public junior colleges and public technical institutes.

- (b) Authorizes a grant received under this section to be used only to support courses or programs that prepare students for career employment in occupations that are identified by local businesses as being in high demand; to finance initial costs of career and technical education courses or program development, including the costs of constructing or renovating facilities, purchasing equipment, and other expenses associated with the development of a new course; and to finance a career and technical education course or program that leads to a license, certificate, or postsecondary degree.
- (c) Requires the comptroller, in awarding a grant under this section, to primarily consider the potential economic returns to the state from the development of the career and technical education course or program, and authorizes the comptroller to consider whether the course or program is part of a new, emerging industry or high-demand occupation.
- (d) Requires a public junior college or public technical institute, to be eligible to receive a grant under this section, to provide matching funds in accordance with rules adopted under Section 134.008. Authorizes the matching funds to be obtained from any source available to the college, including in-kind contributions, industry consortia, community or foundation grants, individual contributions, and local governmental agency operating funds.

Sec. 134.007. SCHOLARSHIPS. (a) Authorizes the comptroller to award a scholarship to a public junior college or public technical institute student.

(b) Requires a student, to be eligible to receive a scholarship under this section, to demonstrate financial need and be enrolled in a training program for a high-demand occupation, as determined by the comptroller on the recommendation of the advisory board.

Sec. 134.008. RULES. Authorizes the comptroller to adopt rules as necessary for the administration of this chapter.

SECTION 13. Repealer: Section 29.190(b) (regarding the commissioner of education adopting guidelines for determining financial need consistent with the definition of financial need adopted by the College Board and Education Testing Service), Education Code.

SECTION 14. Provides that Section 54.0065(a), as amended by this Act, applies to a tuition rebate regardless of the date a student enters a general academic teaching institution as a first-time freshman.

SECTION 15. Provides that Section 61.0595, Education Code, as amended by this Act, applies beginning with the funding recommendations made under Section 61.059, Education Code, for the 2011-2012 academic year.

SECTION 16. Requires THECB to adopt the rules required by Section 61.0764, Education Code, as added by this Act, as soon as practicable after this Act takes effect. Authorizes THECB, for that purpose, to adopt the initial rules in the manner provided by law for emergency rules.

SECTION 17. Provides that Sections 4, 5, and 6 of this Act apply beginning with the 2009-2010 school year.

SECTION 18. Effective date: upon passage or September 1, 2009.