

BILL ANALYSIS

C.S.H.B. 3028
By: Davis, John
Economic & Small Business Development
Committee Report (Substituted)

BACKGROUND AND PURPOSE

The skills development fund currently may be used by public community and technical colleges, community-based organizations, and the Texas Engineering Extension Service as start-up or emergency funds for job-training purposes, including developing customized training programs for businesses and trade unions and sponsoring small and medium-sized business networks and consortiums. Interested parties report that in some cases a business works with college partners to submit proposals, develop curricula, and conduct training. The skills development fund will pay for the training, the college will administer the grant, and the business will create new jobs and improve the skills of their current workers.

Many Texans believe that money from the skills development fund is not allocated in the most effective way possible. These individuals believe it would be beneficial to award money from the fund to support courses offered for high school and junior college credit and other courses that would lead to an industry-recognized license, credential, or certificate. C.S.H.B. 3028 seeks to encourage school districts and public junior colleges to offer joint credit courses and to collaborate with the private sector to provide career and technical education courses that meet workforce needs while helping to defray the high cost of these career and technical education programs.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

C.S.H.B. 3028 amends the Labor Code to expand the authorized uses of money from the skills development fund to include awarding funds to a public junior college to be used under an agreement with a school district to support courses offered for joint high school and public junior college credit or offered under a college credit career or technical education program that leads to an industry-recognized license, credential, or certificate. The bill provides that in each state fiscal biennium, an amount of money from the fund not to exceed five percent of the amount of general revenue appropriated to that fund for that biennium may be awarded for such use. The bill authorizes funds available to the Texas Workforce Commission from other sources to also be used for that purpose. The bill specifies that appropriate uses of funds so awarded include purchasing or repairing necessary equipment for a course and developing a course curriculum. The bill requires a course supported by such an award to have the endorsement of, or a letter of support from, at least one employer in Texas and to be targeted to address the needs of high-demand fields or occupations, as identified by the applicable local workforce development board.

EFFECTIVE DATE

On passage, or, if the bill does not receive the necessary vote, September 1, 2013.

COMPARISON OF ORIGINAL AND SUBSTITUTE

While C.S.H.B. 3028 may differ from the original in minor or nonsubstantive ways, the following comparison is organized and highlighted in a manner that indicates the substantial differences between the introduced and committee substitute versions of the bill.

INTRODUCED

SECTION 1. Section 303.003, Labor Code, is amended by adding Subsection (b-1) to read as follows:

(b-1) In addition to the purposes described by Subsection (b),

money from the skills development fund

may be awarded to a public junior college to be used under an agreement with a school district to support courses offered for joint high school and public junior college credit or offered under a college credit career or technical education program that leads to an industry-recognized license, credential, or certificate.

Appropriate uses of money awarded under this subsection include purchasing or repairing necessary equipment for a course and developing a course curriculum. A course or program supported under this subsection must have the endorsement of, or a letter of support from, at least one employer in this state.

SECTION 2. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2013.

HOUSE COMMITTEE SUBSTITUTE

SECTION 1. Section 303.003, Labor Code, is amended by adding Subsection (b-2) to read as follows:

(b-2) In addition to the purposes described by Subsections (b) and (b-1), in each state fiscal biennium, an amount of

money from the skills development fund not to exceed five percent of the amount of general revenue appropriated to the skills development fund for that biennium may be used as provided by this subsection. Funds available to the commission from other sources may also be used as provided by this subsection. Funds

may be awarded under this subsection to a public junior college to be used under an agreement with a school district to support courses offered for joint high school and public junior college credit or offered under a college credit career or technical education program that leads to an industry-recognized license, credential, or certificate.

Appropriate uses of funds awarded under this subsection include purchasing or repairing necessary equipment for a course and developing a course curriculum. A course or program supported under this subsection must:

(1) have the endorsement of, or a letter of support from, at least one employer in this state; and

(2) be targeted to address the needs of high-demand fields or occupations, as identified by the applicable local workforce development board.

SECTION 2. Same as introduced version.