

## **BILL ANALYSIS**

C.S.H.B. 3662  
By: Clardy  
Economic & Small Business Development  
Committee Report (Substituted)

### **BACKGROUND AND PURPOSE**

Interested parties assert there is need for school districts and public institutions of higher education to establish innovative programs designed to prepare students for careers in demand in Texas. These parties contend that in establishing these programs, school districts and institutions should be granted flexibility to adopt new approaches to instruction and accountability requirements. The parties are interested in establishing programs that will emphasize competency-based learning, career and technical education collaborations, workforce-focused innovations, high school courses that will yield college credit, and career and technical education pathways. C.S.H.B. 3662 seeks to address these issues, among other items, by providing the tools to make these changes.

### **RULEMAKING AUTHORITY**

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

### **ANALYSIS**

C.S.H.B. 3662 amends the Education Code to establish the Texas Workforce Innovation Needs Program to provide selected school districts, public institutions of higher education, and private or independent institutions of higher education with the opportunity to establish innovative programs designed to prepare students for careers in demand in Texas and to use the results of those programs to inform the governor, legislature, and commissioner of education concerning methods for transforming public education and higher education in Texas by improving student learning and career preparedness.

C.S.H.B. 3662 requires a school district's, public institution of higher education's, or private or independent institution of higher education's application to participate in the program to be made in the form, time, and manner established by commissioner rule. The bill requires the application process to require each applicant district or institution of higher education to submit a detailed plan of the instruction and accountability that would be provided under the program. The bill sets out provisions relating to the specific requirements for such a plan and authorizes such a plan, if submitted by a school district, to designate one or more campuses rather than the entire district to participate in the program.

C.S.H.B. 3662 requires the commissioner to select from among the school districts and institutions of higher education that apply to participate in the program those entities with plans that are most likely to be effective in producing the next generation of higher performing public schools and institutions of higher education that provide education and training in an innovative form and manner to prepare students for careers for which there is a demand in Texas. The bill requires the commissioner to convene program leaders periodically to discuss methods to transform learning opportunities for all students, build cross-institution support systems and training, and share best practices tools and processes.

C.S.H.B. 3662 authorizes the commissioner or a school district or institution of higher education participating in the program to accept gifts, grants, or donations from any source, including a private or governmental entity, for the purposes of the program. The bill authorizes the commissioner, to cover the costs of administering the program, to charge a fee to a participating school district or institution of higher education and requires the commissioner, in consultation with interested school districts, institutions of higher education, and other appropriate interested persons, to adopt rules as necessary for the purposes of the program.

C.S.H.B. 3662 adds a temporary provision, set to expire January 1, 2020, to require the commissioner, with the assistance of school districts and institutions of higher education participating in the program, to submit to the governor and the legislature reports concerning the performance and progress of the program participants not later than December 1, 2014, and not later than December 1, 2016. The bill requires the report submitted not later than December 1, 2014, to include any recommendation by the commissioner concerning legislative authorization necessary for the commissioner to waive a prohibition, requirement, or restriction that applies to a program participant and other school district or institution of higher education interested in beginning a similar program. The bill requires the commissioner, to prepare for implementation of a commissioner waiver, to seek any necessary federal waiver.

### **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. 3662 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. Subchapter Z, Chapter 29, Education Code, is amended by adding Section 29.922 to read as follows:

Sec. 29.922. TEXAS WORKFORCE INNOVATION NEEDS PROGRAM.

(a) In this section, "program" means the Texas Workforce Innovation Needs Program.

(b) The Texas Workforce Innovation Needs Program is established to:

(1) provide selected school districts and public institutions of higher education with the opportunity to establish innovative programs designed to prepare students for careers for which there is demand in this state; and

(2) use the results of those programs to inform the governor, legislature, and commissioner concerning methods for

#### HOUSE COMMITTEE SUBSTITUTE

SECTION 1. Subchapter Z, Chapter 29, Education Code, is amended by adding Section 29.922 to read as follows:

Sec. 29.922. TEXAS WORKFORCE INNOVATION NEEDS PROGRAM. (a)

In this section:

(1) "Private or independent institution of higher education" has the meaning assigned by Section 61.003.

(2) "Program" means the Texas Workforce Innovation Needs Program.

(b) The Texas Workforce Innovation Needs Program is established to:

(1) provide selected school districts, public institutions of higher education, and private or independent institutions of higher education with the opportunity to establish innovative programs designed to prepare students for careers for which there is demand in this state; and

(2) use the results of those programs to inform the governor, legislature, and commissioner concerning methods for

transforming public and higher education in this state by improving student learning and career preparedness.

(c) To apply to participate in the program, a school district or public institution of higher education must use the form and apply in the time and manner established by commissioner rule.

The application process must require each applicant district or institution of higher education to submit a detailed plan as required by Subsection (d) of the instruction and accountability the applicant would provide under the program.

(d) A plan submitted under Subsection (c):  
(1) must, to the greatest extent appropriate for the grade or higher education levels served under the program:

(A) be designed to support improved instruction of and learning by students and provide evidence of the accurate assessment of the quality of learning on campus;

(B) focus on engagement of students in competency-based learning as necessary to earn postsecondary credentials, including:

(i) career and technical certificates;

(ii) associate's degrees;

(iii) bachelor's degrees; and

(iv) graduate degrees;

(C) incorporate career and technical courses into dual enrollment courses or into the early college education program under Section 29.908 to provide students the opportunity to earn a career or technical certificate or associate's degree;

(D) describe any waiver of an applicable prohibition, requirement, or restriction for which the district or institution of higher education intends to apply; and

(E) include any other information required by commissioner rule; and

(2) may, if submitted by a school district, designate one or more campuses rather than the entire district to participate in the program.

transforming public education and higher education in this state by improving student learning and career preparedness.

(c) To apply to participate in the program, a school district, public institution of higher education, or private or independent institution of higher education must use the form and apply in the time and manner established by commissioner rule.

The application process must require each applicant district or institution of higher education to submit a detailed plan as required by Subsections (d) and (e) of the instruction and accountability the applicant would provide under the program.

(d) A plan submitted under Subsection (c):  
(1) must:

(A) be designed to support improved instruction of and learning by students and provide evidence of the accurate assessment of the quality of learning on campus;

(B) describe any waiver of an applicable prohibition, requirement, or restriction for which the district or institution of higher education intends to apply; and

(C) include any other information required by commissioner rule; and

(2) may, if submitted by a school district, designate one or more campuses rather than the entire district to participate in the program.

(e) In addition to satisfying the requirements under Subsection (d)(1), a plan submitted under Subsection (c) must, to the greatest extent appropriate for the grade or higher education levels served under the program, either:

(1) focus on engagement of students in competency-based learning as necessary to

(e) From among the school districts and institutions of higher education that apply as required under this section, the commissioner may select not more than 10 participants for the program. The commissioner shall select those applicant school districts and institutions of higher education that present the plans that are most likely to be effective in producing the next generation of higher performing public schools and institutions of higher education that provide education and training in an innovative form and manner to prepare students for careers for which there is demand in this state.

(f) The commissioner shall convene program leaders periodically to discuss methods to transform learning opportunities for all students, build cross-institution support systems and training, and share best practices tools and processes.

(g) A school district or institution of higher education participating in the program or the commissioner may, for purposes of this section, accept gifts, grants, or donations from any source, including a private or governmental entity.

(h) To cover the costs of administering the program, the commissioner may charge a fee to a school district or institution of higher education participating in the program.

(i) In consultation with interested school districts, institutions of higher education, and other appropriate interested persons, the commissioner shall adopt rules as necessary for purposes of this section.

(j) Not later than December 1, 2014, and not later than December 1, 2016, with the assistance of school districts and institutions of higher education participating in the program, the commissioner shall submit to the governor and the legislature reports concerning the performance and progress of

earn postsecondary credentials, including:

(A) career and technical certificates;

(B) associate's degrees;

(C) bachelor's degrees; and

(D) graduate degrees; or

(2) incorporate career and technical courses into dual enrollment courses or into the early college education program under Section 29.908 to provide students the opportunity to earn a career or technical certificate or associate's degree.

(f) From among the school districts and institutions of higher education that apply as required under this section, the commissioner shall select those school districts and institutions of higher education that present the plans that are most likely to be effective in producing the next generation of higher performing public schools and institutions of higher education that provide education and training in an innovative form and manner to prepare students for careers for which there is demand in this state.

(g) The commissioner shall convene program leaders periodically to discuss methods to transform learning opportunities for all students, build cross-institution support systems and training, and share best practices tools and processes.

(h) A school district or institution of higher education participating in the program or the commissioner may, for purposes of this section, accept gifts, grants, or donations from any source, including a private or governmental entity.

(i) To cover the costs of administering the program, the commissioner may charge a fee to a school district or institution of higher education participating in the program.

(j) In consultation with interested school districts, institutions of higher education, and other appropriate interested persons, the commissioner shall adopt rules as necessary for purposes of this section.

(k) Not later than December 1, 2014, and not later than December 1, 2016, with the assistance of school districts and institutions of higher education participating in the program, the commissioner shall submit to the governor and the legislature reports concerning the performance and progress of

the program participants. The report submitted not later than December 1, 2014, must include any recommendation by the commissioner concerning legislative authorization necessary for the commissioner to waive a prohibition, requirement, or restriction that applies to a program participant and other school district or institution of higher education interested in beginning a similar program. To prepare for implementation of a commissioner waiver, the commissioner shall seek any necessary federal waiver. This subsection expires January 1, 2020.

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.

the program participants. The report submitted not later than December 1, 2014, must include any recommendation by the commissioner concerning legislative authorization necessary for the commissioner to waive a prohibition, requirement, or restriction that applies to a program participant and other school district or institution of higher education interested in beginning a similar program. To prepare for implementation of a commissioner waiver, the commissioner shall seek any necessary federal waiver. This subsection expires January 1, 2020.

SECTION 2. Same as introduced version.