BILL ANALYSIS

Senate Research Center 84R5740 LED-D S.B. 209 By: Hinojosa et al. Natural Resources & Economic Development 3/6/2015 As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

The Texas Workforce Investment Council (council) is a 19-member board that assists the governor and the legislature with strategic planning for and evaluation of the Texas workforce system. Housed in the Office of the Governor, the council includes representatives from business, labor, education, community-based organizations, and related state entities.

The mission of the council is to promote the development of a highly skilled and well-educated workforce for Texas. The council serves as the State Workforce Investment Board, a requirement under the federal Workforce Investment Act of 1998. Without such a council, Texas could lose \$160 million in federal funds. The council also provides staff support for the Texas Skill Standards Board. The legislature created this board in 1995 to develop a statewide system of skill standards for occupations with strong employment and earnings opportunities, but requiring less than a baccalaureate degree.

The council is subject to the Sunset Act and will be abolished on September 1, 2015, unless continued by the legislature. The Sunset Advisory Commission concluded that the council's functions are needed, that it is appropriately placed in the governor's office, and that it could easily take on the remaining duties of the Texas Skill Standards Board. S.B. 209 continues the council for 12 years and aligns its Sunset review with that of the Texas Workforce Commission. The bill also abolishes the Texas Skill Standards Board and transfers its powers and duties to the council.

As proposed, S.B. 209 amends current law relating to the continuation and functions of the Texas Workforce Investment Council, including assumption of the duties of the Texas Skill Standards Board.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 2308.005, Government Code, as follows:

Sec. 2308.005. APPLICATION OF SUNSET ACT. Provides that the Texas Workforce Investment Council (council) is subject to Chapter 325 (Texas Sunset Act). Provides that the council is abolished September 1, 2027, rather than September 1, 2015, unless continued in existence as provided by that chapter. Requires the council to be reviewed during the period in which the Texas Workforce Commission (TWC) is reviewed.

SECTION 2. Amends Subchapter C, Chapter 2308, Government Code, by adding Section 2308.109, as follows:

Sec. 2308.109. DUTY TO DEVELOP SKILL STANDARDS. (a) Requires the council to provide advice to the governor and the legislature on the development of a statewide system of industry-defined and industry-recognized skill standards and credentials for all

major skilled occupations that provide strong employment and earnings opportunities in this state and require less than a baccalaureate degree.

(b) Requires the council to:

(1) validate and recognize nationally established skill standards to guide curriculum development, training, assessment, and certification of workforce skills;

(2) convene industry groups to develop skill standards and certification procedures for industries and occupations in which standards have not been established or adopted and recognize the skill standards and certification procedures;

(3) review the standards developed by other states and foreign countries and enter into agreements for mutual recognition of standards and credentials to enhance portability of skills; and

(4) promote the use of standards and credentials among employers.

(c) Requires the council to:

(1) report on the council's duties under this section to the governor; and

(2) provide annual reports on the council's duties under this section to the governor, the division, and the legislature.

SECTION 3. Repealer: Subchapter H (Skill Standards Board), Chapter 2308, Government Code.

SECTION 4. Abolishes the Texas Skill Standards Board and provides that all powers and duties of the Texas Skill Standards Board are transferred to the council.

SECTION 5. Effective date: September 1, 2015.