BILL ANALYSIS

Senate Research Center 84R10538 KSD-F S.B. 1351 By: Hinojosa Higher Education 3/26/2015 As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

The Jobs and Education for Texans (JET) Grant Program was created by the Texas Legislature to supplement existing capacity-building programs for job seekers. Administration of the program was initially delegated to the comptroller of public accounts of the State of Texas (comptroller). However, experience in administering the JET program underscores the need for more comprehensive understanding of the employment market to best target awards. The Texas Workforce Commission (TWC) administers a variety of programs designed to equip job seekers for work opportunities, particularly as new industries begin or expand operations in Texas. Those industries often require new employees to be job ready; that is, new employees must have specific training.

S.B. 1351 transfers the entirety of the JET program from the comptroller to TWC. TWC would substantially benefit from a transfer of the JET program from the comptroller to TWC. A transfer of the JET program to TWC would bolster TWC's capacity-building mission and prepare out-of-work Texans for jobs.

As proposed, S.B. 1351 amends current law relating to transferring to the Texas Workforce Commission certain duties of the comptroller related to the Jobs and Education for Texans Grant Program.

RULEMAKING AUTHORITY

Rulemaking authority previously granted to the comptroller of public accounts of the State of Texas is transferred to the Texas Workforce Commission in SECTION 6 (Section 134.008, Education Code) of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 134.001, Education Code, by adding Subdivision (1) to define "commission."

SECTION 2. Amends Section 134.002(a), Education Code, to require the Texas Workforce Commission (TWC), rather than the comptroller of public accounts of the State of Texas (comptroller) to establish and administer the Jobs and Education for Texans (JET) fund as a dedicated account in the general revenue fund.

SECTION 3. Amends Section 134.003, Education Code, as follows:

Sec. 134.003. ADVISORY BOARD. (a) Establishes that an advisory board of education and workforce stakeholders is created to assist TWC, rather than the comptroller, in administering this chapter.

(b) Provides that the advisory board is composed of six, rather than seven, members who serve two-year terms and are appointed as follows:

(1)-(4) Makes no changes to these subdivisions;

(5) one member appointed by TWC; and

SRC-CAS, ACE S.B. 1351 84(R)

(6) the chair of TWC, rather than one member of the public appointed by the comptroller, who serves as the presiding officer.

Deletes existing Subdivision (7) providing that one members is the comptroller, who serves as the presiding officer. Makes nonsubstantive changes.

SECTION 4. Amends Section 134.004(a), Education Code, to change references to the comptroller to TWC.

SECTION 5. Amends Sections 134.006(a), (c), and (d), Education Code, as follows:

(a) and (c) Changes references to the comptroller to TWC.

(d) Provides that, to be eligible to receive a grant under this section, a public junior college or public technical institute must 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 junior college or technical institute, including industry consortia, community or foundation grants, individual contributions, and local governmental agency operating funds, rather than including in-kind contributions, industry consortia, community or foundation grants, individual contributions, and local governmental agency operating funds.

SECTION 6. Amended Section 134.008, Education Code, as follows:

Sec. 134.008. RULES. Requires TWC, rather than the comptroller, to adopt rules as necessary for the administration of this chapter.

SECTION 7. (a) Provides that not later than September 1, 2015:

(1) the administration of the Jobs and Education for Texans Grant Program shall be transferred from the comptroller to TWC;

(2) all rules, forms, policies, procedures, or decisions of the comptroller that are related to the Jobs and Education for Texans Grant Program are continued in effect as rules, forms, policies, procedures, or decisions of TWC until superseded by a rule or other appropriate act of TWC;

(3) all money, obligations, memoranda of understanding, leases, rights, and contracts, including grant agreements, of the comptroller related to the Jobs and Education for Texans Grant Program are transferred to TWC, and TWC assumes, without a change in status, the position of the comptroller in all transferred contracts, including grant agreements, related to the Jobs and Education for Texans Grant Program;

(4) records in the custody of the comptroller related to the Jobs and Education for Texans Grant Program are transferred to and become the property of TWC; and

(5) a reference in law or administrative rule to the comptroller relating to the administration of the Jobs and Education for Texans Grant Program means TWC.

(b) Requires the comptroller and TWC to, before the transfer of the administration of the Jobs and Education for Texans Grant Program, coordinate the transfer of powers and duties, including records, appropriations, disbursements, compliance audits, monitoring and enforcement, and other items, to ensure a smooth transition.

SECTION 8. Effective date: upon passage or September 1, 2015.