

BILL ANALYSIS

C.S.S.B. 1467
By: West
Higher Education
Committee Report (Substituted)

BACKGROUND AND PURPOSE

Interested parties note the cost of attending institutions of higher education in suggesting that students with financial need could benefit from additional work-study opportunities. C.S.S.B. 1467 seeks to create such opportunities by establishing an internship program that provides jobs to eligible students with financial need to enable those students to attend eligible public, private, or independent institutions of higher education.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

RULEMAKING AUTHORITY

It is the committee's opinion that rulemaking authority is expressly granted to the Texas Higher Education Coordinating Board in SECTION 4 of this bill.

ANALYSIS

C.S.S.B. 1467 amends the Education Code to establish the Texas working off-campus: reinforcing knowledge and skills (WORKS) internship program for the purpose of providing jobs funded in part by the state to eligible students with financial need to enable those students to attend eligible public or private institutions of higher education in Texas. The bill requires the Texas Higher Education Coordinating Board to administer the Texas WORKS internship program and collaborate with eligible institutions and employers to provide eligible students with part-time employment funded in part by the state and to establish criteria to ensure that each eligible employer has demonstrated the administrative and financial capacity to carry out the employer's responsibilities under the program, including the ability to pay full wages and benefits to a student employed through the program, and that a participating employer is reimbursed under the program at the rate established by the coordinating board only for fully paid eligible wages. The bill prohibits state support for the Texas WORKS internship program from exceeding the amount specified by appropriation.

C.S.S.B. 1467 requires the coordinating board to develop a standard contract establishing the roles and responsibilities of eligible employers; to use the standard contract as a model for the memorandum of understanding that the coordinating board will require for participation in the Texas WORKS internship program; to reimburse an eligible employer at a rate established by the coordinating board for the eligible wages paid by the employer to a student participating in the program; and to establish the rate or rates at which employers are required to pay students participating in the program.

C.S.S.B. 1467 authorizes the coordinating board to use funds appropriated for the Texas college work-study program and the Texas WORKS internship program to establish and maintain an online portal for use by students and participating entities in fulfilling their responsibilities for

participation in the Texas WORKS internship program and to use funds appropriated for the Texas college work-study program and the Texas WORKS internship program to cover the expenses and personnel costs of administering and assessing the Texas WORKS internship program. The bill establishes that, if funding for the Texas WORKS internship program is insufficient to cover the cost of all eligible students, priority for funding is based on the order of application, as determined through coordinating board rules, as well as any additional priority eligibility criteria established by coordinating board rules.

C.S.S.B. 1467 makes a public, private, or independent institution of higher education eligible for the Texas WORKS internship program and makes a person eligible for employment in the program if the person is a Texas resident as defined by coordinating board rules, is enrolled full-time in an undergraduate degree or certificate program, establishes financial need in accordance with coordinating board procedures and rules established for the program, meets eligibility criteria established by the coordinating board, and complies with other requirements adopted by the coordinating board. The bill makes a person ineligible to participate in the Texas WORKS internship program if the person is receiving an athletic scholarship, has completed a baccalaureate degree, or is enrolled in a seminary or other program leading to ordination or licensure to perform religious duties for a religious sect or to be a member of a religious order.

C.S.S.B. 1467 sets the amount of a student's gross wage eligibility under the Texas WORKS internship program at an amount determined by coordinating board rule and establishes that funds received by students as eligible wages under the program are not considered as financial aid for the academic year in which they are earned.

C.S.S.B. 1467 authorizes the coordinating board to enter into agreements with employers that participate in the Texas WORKS internship program and sets out requirements for an employer to be eligible to enter into an agreement with the coordinating board to participate in the program.

C.S.S.B. 1467 authorizes the coordinating board to adopt reasonable rules, consistent with the purposes and policies of the Texas WORKS internship program, to enforce the requirements, conditions, and limitations of the program, requires the coordinating board to develop the rules and procedures necessary for implementation of the program, requires the coordinating board to adopt rules necessary to ensure compliance with the federal Civil Rights Act of 1964, concerning nondiscrimination in admissions or employment, and requires the coordinating board to distribute to each eligible institution copies of the adopted rules, to establish and maintain an online listing of program employment opportunities available to students, sortable by department, as appropriate, and to ensure that the list is easily accessible to the public through a clearly identifiable link that appears in a prominent place on the coordinating board's website. The bill expands the coordinating board's biennial report on the Texas college work-study program to include the Texas WORKS internship program and requires the report to include the total number of students employed through the Texas WORKS internship program disaggregated by specified criteria.

C.S.S.B. 1467 removes the authority of an eligible institution of higher education to enter into agreements with employers that participate in the Texas college work-study program and instead authorizes an eligible institution to employ eligible students in the work-study program. The bill makes the conditions of work-study program eligibility for such an employer applicable to an eligible institution and repeals the requirement that each eligible institution ensure that a certain percentage of the employment positions provided through the work-study program in an academic year are off-campus. The bill's provisions apply beginning with the 2017 fall semester.

C.S.S.B. 1467 repeals Section 56.076(b), Education Code.

EFFECTIVE DATE

On passage, or, if the bill does not receive the necessary vote, September 1, 2017.

COMPARISON OF SENATE ENGROSSED AND SUBSTITUTE

While C.S.S.B. 1467 may differ from the engrossed in minor or nonsubstantive ways, the following comparison is organized and formatted in a manner that indicates the substantial differences between the engrossed and committee substitute versions of the bill.

| SENATE ENGROSSED | HOUSE COMMITTEE SUBSTITUTE |
|---|--|
| SECTION 1. Section 56.076(a), Education Code, is amended. | SECTION 1. Same as engrossed version. |
| SECTION 2. Section 56.078, Education Code, is amended. | SECTION 2. Same as engrossed version. |
| SECTION 3. Section 56.082(a), Education Code, is amended. | SECTION 3. Same as engrossed version. |
| SECTION 4. Chapter 56, Education Code, is amended by adding Subchapter E-1 to read as follows: <u>SUBCHAPTER E-1. TEXAS WORKING OFF-CAMPUS: REINFORCING KNOWLEDGE AND SKILLS (WORKS) INTERNSHIP PROGRAM</u> | SECTION 4. Chapter 56, Education Code, is amended by adding Subchapter E-1 to read as follows: <u>SUBCHAPTER E-1. TEXAS WORKING OFF-CAMPUS: REINFORCING KNOWLEDGE AND SKILLS (WORKS) INTERNSHIP PROGRAM</u> |
| <u>Sec. 56.0851. DEFINITIONS.</u> | <u>Sec. 56.0851. DEFINITIONS.</u> |
| <u>Sec. 56.0852. PROGRAM NAME.</u> | <u>Sec. 56.0852. PROGRAM NAME.</u> |
| <u>Sec. 56.0853. PURPOSE.</u> | <u>Sec. 56.0853. PURPOSE.</u> |
| <u>Sec. 56.0854. ADMINISTRATIVE AUTHORITY.</u> | <u>Sec. 56.0854. ADMINISTRATIVE AUTHORITY.</u> |
| <u>Sec. 56.0855. ELIGIBLE INSTITUTION.</u> | <u>Sec. 56.0855. ELIGIBLE INSTITUTION.</u> |
| <u>Sec. 56.0856. ELIGIBLE STUDENT. (a) To be eligible for employment in the program a person must:</u> <u>(1) be a Texas resident as defined by coordinating board rules;</u> <u>(2) be enrolled full-time in an undergraduate degree or certificate program;</u> <u>(3) establish financial need in accordance with coordinating board procedures and rules established for the program;</u> <u>(4) meet eligibility criteria established by the coordinating board;</u> <u>(5) be eligible for federal financial aid, except that the person is not required to meet any financial aid need requirement applicable to a particular federal financial aid program; and</u> <u>(6) comply with other requirements adopted by the coordinating board under this section.</u> | <u>Sec. 56.0856. ELIGIBLE STUDENT. (a) To be eligible for employment in the program a person must:</u> <u>(1) be a Texas resident as defined by coordinating board rules;</u> <u>(2) be enrolled full-time in an undergraduate degree or certificate program;</u> <u>(3) establish financial need in accordance with coordinating board procedures and rules established for the program;</u> <u>(4) meet eligibility criteria established by the coordinating board; and</u> <u>(5) comply with other requirements adopted by the coordinating board under this section.</u> |

(b) A person is not eligible to participate in the program if the person:
(1) is receiving an athletic scholarship;
(2) is enrolled in a seminary or other program leading to ordination or licensure to perform religious duties for a religious sect or to be a member of a religious order;
or
(3) has completed a baccalaureate degree.
(c) The amount of a student's gross wage eligibility under the program is an amount determined by coordinating board rule, and funds received by students as eligible wages under the program are not considered as financial aid for the academic year in which they are earned.

Sec. 56.0857. ELIGIBLE EMPLOYER.

Sec. 56.0858. ADOPTION AND DISTRIBUTION OF RULES.

Sec. 56.0859. ONLINE LIST OF TEXAS WORKS EMPLOYMENT OPPORTUNITIES.

SECTION 5. Section 56.076(b), Education Code, is repealed.

SECTION 6. (a) As soon as practicable after the effective date of this Act, the commissioner of the Texas Higher Education Coordinating Board shall develop the rules and procedures necessary for the implementation of Subchapter E-1, Chapter 56, Education Code, as added by this Act.
(b) The changes in law made by this Act apply beginning with the 2017 fall semester.

SECTION 7. 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, 2017.

(b) A person is not eligible to participate in the program if the person:
(1) is receiving an athletic scholarship;
(2) is enrolled in a seminary or other program leading to ordination or licensure to perform religious duties for a religious sect or to be a member of a religious order;
or
(3) has completed a baccalaureate degree.
(c) The amount of a student's gross wage eligibility under the program is an amount determined by coordinating board rule, and funds received by students as eligible wages under the program are not considered as financial aid for the academic year in which they are earned.

Sec. 56.0857. ELIGIBLE EMPLOYER.

Sec. 56.0858. ADOPTION AND DISTRIBUTION OF RULES.

Sec. 56.0859. ONLINE LIST OF TEXAS WORKS EMPLOYMENT OPPORTUNITIES.

SECTION 5. Same as engrossed version.

SECTION 6. Same as engrossed version.

SECTION 7. Same as engrossed version.