

BILL ANALYSIS

Senate Research Center
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S.B. 1192
By: West
Higher Education
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AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

The state's higher education strategic plan, 60x30TX, is student centered. The plan aims to provide an opportunity for students in all regions and from all backgrounds to access and succeed in higher education, so that they can increase their quality of life and the state economy can benefit from an educated, skilled workforce. If students are to graduate, contribute to the state's revenue, and become more engaged citizens, they must be able to communicate the marketable skills gained from their academic career and exit their programs with no debt or with manageable debt, relative to their first-year incomes.

The strength of the Texas economy and the wide variety of Texas industries creates an opportunity for providing college students with internship or other concurrent work experiences during their higher education years to strengthen their marketable skills and support their transition to the workforce. The current Texas College Work-Study program lacks a core focus on 60x30TX. While it provides a general source of financial aid, it mimics a federal program rather than addressing the goals of the state's higher education strategic plan. Legislation approved in 2015 requires institutions of higher education to offer a small percentage of their work-study opportunities off-campus but the mandate has been difficult for institutions to implement. With its relatively small funding level and the lack of alignment to the state's goals, the existing work-study program must be improved to more effectively serve students.

Paid internships offer the opportunity to engage students and provide them with the marketable skills they need to succeed. Internships also enable employers to gain skilled employees who can help businesses grow. Paid internships are critical for those students who cannot afford to take on unpaid experiential learning opportunities while enrolled in postsecondary education.

S.B. 1192 would create the Texas WORKS (Working Off-campus: Reinforcing Knowledge & Skills) Internship Program to provide paid internship opportunities for fulltime undergraduate students and advance the state's 60x30TX goals relating to marketable skills and student debt.

The bill would also authorize the Texas Higher Education Coordinating Board to utilize a portion of the current work-study appropriation to administer the centralized off-campus, work-study program.

Program priorities would be established in rule and include activities supporting timely completion, such as enrollment in 15 or more credit hours per semester and integrate the concept of "wrap-around" services (e.g., online training or other activities that prepare students for basic work expectations) to help prepare students for career and life.

As proposed, S.B. 1192 amends current law relating to the Texas college work-study program and to establishing a program for the off-campus employment of certain students at public or private institutions of higher education.

RULEMAKING AUTHORITY

Rulemaking authority is expressly granted to the Texas Higher Education Coordinating Board in SECTION 4 (Section 56.0856, Education Code) of this bill.

Rulemaking authority is expressly granted to the commissioner of higher education under SECTION 6 of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 56.074, Education Code, as follows:

Sec. 56.074. New heading: **ELIGIBLE INSTITUTION; PARTICIPATION REQUIREMENTS.** (a) Creates this subsection from existing text and makes no further changes.

(b) Requires an eligible institution, to participate in the Texas college work-study program, to:

(1) provide employment to an eligible student in nonpartisan and nonsectarian activities;

(2) provide, insofar as is practicable, employment to an eligible student that is related to the student's academic interests;

(3) use work-study program positions only to supplement and not supplant positions normally filled by persons not eligible to participate in the work-study program;

(4) provide from sources other than federal college work-study program funds a percentage of an employed student's wages that is equal to the percentage of a student's wages that the eligible institution would be required to provide to the student in that academic year under the federal college work-study program; and

(5) provide from sources other than federal college work-study funds 100 percent of other employee benefits for the employed student.

SECTION 2. Amends Section 56.078, Education Code, as follows:

Sec. 56.078. **FUNDING.** Provides that funding to cover the state's contribution toward the funding of the work-study program under this subchapter (Texas College Work-Study Program) and the Texas WORKS internship program under Subchapter E-1, rather than under this subchapter, is payable from funds appropriated for that purpose.

SECTION 3. Amends Section 56.082, Education Code, as follows:

Sec. 56.082. **ANNUAL REPORT.** Requires the Texas Higher Education Coordinating Board (THECB), not later than January 1 of each year, to submit to the governor, the lieutenant governor, the speaker of the house of representatives, and the standing legislative committees with primary jurisdiction over higher education and post on THECB's Internet website a report on the Texas college work-study program and the Texas WORKS internship program under Subchapter E-1, rather than on the Texas College Work-Study Program. Requires the report to include the total number of students employed through the programs, rather than program, disaggregated by certain criteria.

SECTION 4. Amends Chapter 56, Education Code, by adding Subchapter E-1, as follows:

SUBCHAPTER E-1. TEXAS WORKING OFF-CAMPUS: REINFORCING KNOWLEDGE AND SKILLS (WORKS) INTERNSHIP PROGRAM

Sec. 56.0851. **DEFINITIONS.** Defines "coordinating board," "eligible wages," and "program."

Sec. 56.0852. **PROGRAM NAME.** Provides that the student financial assistance
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program authorized by this subchapter is the Texas Working Off-Campus: Reinforcing Knowledge and Skills (WORKS) Internship Program.

Sec. 56.0853. PURPOSE. Provides that the purpose of the program is to provide jobs funded in part by the State of Texas to enable students employed through the program to attend public or private institutions of higher education in Texas while exploring career options and strengthening marketable skills.

Sec. 56.0854. ADMINISTRATION. (a) Requires THECB to administer the program and collaborate with eligible employers to provide students employed through the program with employment funded in part by the state.

(b) Requires THECB to establish criteria to ensure that:

(1) a participating employer is reimbursed under the program at the rate established by THECB only for fully paid eligible wages; and

(2) marketable skills to be strengthened or gained through a student's internship position are identified.

(c) Requires THECB to develop a standard contract establishing the roles and responsibilities of eligible employers, base wages and minimum work hours for students employed through the program, and any other provisions identified by THECB as necessary to administer the program. Requires THECB to use the standard contract as a model for the memorandum of understanding required to be entered into by eligible employers.

(d) Authorizes THECB 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. Authorizes THECB 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.

(e) Provides that if funding for the program is insufficient to cover the cost of all students eligible for the program, as provided by THECB, priority for funding is based on eligibility criteria established by THECB rule to further the purposes of the program.

(f) Provides that funds received by students employed through the program as eligible wages are not considered as financial aid for the academic year in which the funds are earned.

Sec.56.0855. ELIGIBLE EMPLOYER. (a) Authorizes THECB to enter into agreements with employers that participate in the program.

(b) Requires an employer, to be eligible to enter into an agreement with THECB to participate in the program, to:

(1) except as provided by Subsection (c), be a private nonprofit or for-profit entity or a governmental entity;

(2) demonstrate 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;

(3) enter into a memorandum of understanding with THECB;

(4) provide employment to a student employed through the program in nonpartisan and nonsectarian activities that relate to the student's long-term career interests;

(5) use program positions only to supplement and not supplant positions normally filled by persons who are ineligible to participate in the program, as provided by THECB rule;

(6) provide the entirety of an employed student's wages and employee benefits;

(7) submit eligible wages to THECB for reimbursement; and

(8) comply with other requirements adopted by THECB under this subchapter.

(c) Provides that an employer is ineligible to participate in the program if the employer is:

(1) a public or private institution of higher education in Texas; or

(2) a career school or college, as defined by Section 132.001 (Definitions).

Sec. 56.0856. ADOPTION OF RULES. (a) Requires THECB to adopt reasonable rules, consistent with the purpose of the program, to enforce the requirements, conditions, and limitations provided by this subchapter.

(b) Requires THECB to adopt rules necessary to ensure compliance with the Civil Rights Act of 1964, Title VI (Pub. L. No. 88-352), concerning nondiscrimination in admissions or employment.

Sec. 56.0857. ONLINE LIST OF TEXAS WORKS EMPLOYMENT OPPORTUNITIES. Requires THECB to:

(1) establish and maintain an online listing of Texas WORKS internship program employment opportunities available to students, sortable by employer, and include other relevant features such as job description, job field, or skills required, as appropriate; and

(2) ensure that the list is easily accessible to the public through a clearly identifiable link that appears in a prominent place on THECB's Internet website.

SECTION 5. Repealer: Section 56.076(b) (relating to requiring an eligible institution to ensure that a certain percentage of work study positions are located off-campus), Education Code.

SECTION 6. (a) Requires the commissioner of THECB, as soon as practicable after the effective date of this Act, to develop the rules and procedures necessary for the implementation of Subchapter E-1, Chapter 56, Education Code, as added by this Act.

(b) Provides that the changes in law made by this Act apply beginning with the 2020 summer term.

SECTION 7. Effective date: upon passage or September 1, 2019.