

By: Thierry, Raymond, Blanco, Cain

H.B. No. 1469

A BILL TO BE ENTITLED

AN ACT

1  
2 relating to certain public school workforce training programs  
3 funded by the skills development fund and to authorizing school  
4 districts to reimburse under the Foundation School Program private  
5 employers for paid internships provided to certain students in  
6 career and technology education programs in the district.

7 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

8 SECTION 1. Subchapter F, Chapter 29, Education Code, is  
9 amended by adding Section 29.1871 to read as follows:

10 Sec. 29.1871. CONTRACT TO REIMBURSE FOR PAID INTERNSHIP.

11 (a) To encourage private employers to participate with school  
12 districts in providing career and technology education to assist  
13 students in developing the knowledge, skills, and competencies  
14 necessary for a broad range of career opportunities, a school  
15 district may contract with a private employer to reimburse the  
16 employer for all or part of the cost of providing a paid internship  
17 or similar program to a student participating in a career and  
18 technology education program in the district.

19 (b) A contract described by Subsection (a) must:

20 (1) require the private employer to provide to the  
21 school district's student a paid internship or similar program that  
22 primarily promotes a public purpose of the district relating to  
23 career and technology education; and

24 (2) include provisions under which the school district

1 is granted sufficient control to ensure that the public purpose  
2 under Subdivision (1) is accomplished and the district receives the  
3 return benefit.

4 (c) In reimbursing a private employer under a contract under  
5 Subsection (a), the school district may use funds allocated to the  
6 district for career and technology education under Section 42.154.

7 SECTION 2. Section 42.154(c), Education Code, is amended to  
8 read as follows:

9 (c) Funds allocated under this section, other than an  
10 indirect cost allotment established under State Board of Education  
11 rule, must be used:

12 (1) in providing career and technology education  
13 programs in grades nine through 12 or career and technology  
14 education programs for students with disabilities in grades seven  
15 through 12 under Sections 29.182, 29.183, and 29.184; or

16 (2) to reimburse private employers for providing paid  
17 internships or similar programs to students in career and  
18 technology education programs as provided by Section 29.1871.

19 SECTION 3. Section 303.001(a), Labor Code, is amended to  
20 read as follows:

21 (a) The purpose of this chapter is to remove administrative  
22 barriers that impede the response of school districts and  
23 open-enrollment charter schools described by Section 303.003(b-3),  
24 public community and technical colleges, community-based  
25 organizations, and the Texas A&M Engineering Extension Service to  
26 industry and workforce training needs and to develop incentives for  
27 those entities [~~public community and technical colleges,~~

1 ~~community-based organizations, and the Texas Engineering Extension~~  
2 ~~Service]~~ to provide customized assessment and training in a timely  
3 and efficient manner.

4 SECTION 4. Section 303.001(b), Labor Code, is amended by  
5 adding Subdivision (3) to read as follows:

6 (3) "Open-enrollment charter school" has the meaning  
7 assigned by Section 5.001, Education Code.

8 SECTION 5. Section 303.002, Labor Code, is amended to read  
9 as follows:

10 Sec. 303.002. WAIVER; RECOVERY OF CERTAIN COSTS. (a) The  
11 commission may review and recommend to the legislature the waiver  
12 of any requirements set forth in the [Title 3,] Education Code, as  
13 they may apply to a school district or open-enrollment charter  
14 school described by Section 303.003(b-3) or public community and  
15 technical college [colleges], that impede the ability of the  
16 district, school, or [such a] college to develop in a timely manner  
17 customized training for demand occupations in particular  
18 industries, including statutes or regulations limiting costs that  
19 may be recovered from state funds by the district, school, or [a  
20 public community or technical] college [from state funds].

21 (b) A school district or open-enrollment charter school  
22 described by Section 303.003(b-3), a public community or technical  
23 college, or the Texas A&M Engineering Extension Service may recover  
24 customized assessment and training costs incurred by the district,  
25 school, college, or service [institution] if:

26 (1) there is an actual or projected labor shortage in  
27 the occupation in which training is provided that is not being met

1 by an existing institution or program in the area; and

2 (2) the wages at the time of job placement for  
3 individuals who successfully complete customized training at the  
4 district, school, [public community or technical] college, or  
5 service [the Texas Engineering Extension Service] are equal to the  
6 prevailing wage for that occupation in the local labor market area.

7 SECTION 6. Section 303.003, Labor Code, is amended by  
8 amending Subsections (b), (b-1), (f), and (g) and adding Subsection  
9 (b-3) to read as follows:

10 (b) The skills development fund may be used by school  
11 districts and open-enrollment charter schools described by  
12 Subsection (b-3), public community and technical colleges,  
13 community-based organizations, and the Texas A&M Engineering  
14 Extension Service as start-up or emergency funds for the following  
15 job-training purposes:

16 (1) developing customized training programs for  
17 businesses and trade unions; and

18 (2) sponsoring small and medium-sized business  
19 networks and consortiums.

20 (b-1) The commission by rule may establish and develop  
21 additional job incentive programs that use the skills development  
22 fund to create incentives for school districts and open-enrollment  
23 charter schools described by Subsection (b-3) or public community  
24 and technical colleges in partnership with one or more employers,  
25 including prospective employers who commit to establishing a place  
26 of business in this state, to provide workforce training in an  
27 effort to create and retain employment opportunities in this state.

1 Under a program established under this subsection, the commission  
2 may commit money to a prospective employer described by this  
3 subsection contingent on the employer's establishment of a place of  
4 business in this state.

5 (b-3) In addition to the programs established under  
6 Subsections (b), (b-1), and (b-2), the commission by rule shall  
7 establish and develop additional programs using the skills  
8 development fund under which a school district or open-enrollment  
9 charter school that includes a high school that provides a career  
10 and technology education program in which at least 35 percent of the  
11 students at the high school are enrolled may provide through that  
12 high school customized workforce training opportunities designed  
13 specifically to meet regional emerging future industry and  
14 workforce training needs identified by the commission for purposes  
15 of this subsection. To participate in a program established under  
16 this subsection, a school district or open-enrollment charter  
17 school is not required to partner with one or more specific  
18 institutions of higher education.

19 (f) The Texas A&M Engineering Extension Service shall focus  
20 the service's training activities under this chapter on programs  
21 that:

- 22 (1) are statewide in nature; or  
23 (2) are not available from a school district or  
24 open-enrollment charter school described by Subsection (b-3), a  
25 local junior college district, a local technical college, or a  
26 consortium of junior college districts.

27 (g) This section does not prohibit the Texas A&M Engineering

1 Extension Service from participating in a consortium of junior  
2 college districts or with a school district or open-enrollment  
3 charter school described by Subsection (b-3) or a technical college  
4 that provides training under this chapter.

5 SECTION 7. Section 303.004, Labor Code, is amended to read  
6 as follows:

7 Sec. 303.004. FUND REVIEW; REPORT BY CERTAIN WORKFORCE  
8 TRAINING PROVIDERS REQUIRED. (a) The Texas Higher Education  
9 Coordinating Board shall review all customized training programs  
10 biennially to verify that state funds are being used appropriately  
11 by school districts and open-enrollment charter schools described  
12 by Section 303.003(b-3), public community and technical colleges,  
13 and the Texas A&M Engineering Extension Service under this chapter.  
14 The Texas Education Agency shall assist the Texas Higher Education  
15 Coordinating Board as necessary in the board's review of a  
16 customized training program provided by a high school of a school  
17 district or open-enrollment charter school described by Section  
18 303.003(b-3).

19 (b) Not later than October 1 of each even-numbered year,  
20 each school district and each open-enrollment charter school  
21 described by Section 303.003(b-3), the Texas A&M Engineering  
22 Extension Service, and each public community or technical college  
23 that provides workforce training under this chapter shall:

24 (1) conduct a review of the district's, school's,  
25 service's, or college's training programs to:

26 (A) determine the effectiveness of the programs  
27 in improving the wages of participants who complete the programs;

1 and

2 (B) identify strategies for improving the  
3 delivery of workforce training in order to more effectively impact  
4 economic development in this state; and

5 (2) submit to the commission a detailed written report  
6 summarizing the results of the review for inclusion by the  
7 executive director in the report to the governor and the  
8 legislature required by Section 303.006(c).

9 (c) If a school district or open-enrollment charter school  
10 described by Section 303.003(b-3), the Texas A&M Engineering  
11 Extension Service, or a public community or technical college fails  
12 to submit a report required by Subsection (b)(2):

13 (1) the district, school, service, or college must  
14 refund to the comptroller any unexpended state funds received by  
15 the district, school, service, or college under this chapter for  
16 the state fiscal biennium in which the report was due; and

17 (2) the commission may not award any additional grant  
18 to the district, school, service, or college under this chapter  
19 until the district, school, service, or college has complied with  
20 that reporting requirement.

21 SECTION 8. Section 303.006(d), Labor Code, is amended to  
22 read as follows:

23 (d) The annual report must include for that fiscal year:

24 (1) the total number of applications submitted, the  
25 total number of applications approved, and the total number of  
26 applications rejected by region of the state;

27 (2) the average and median weekly wage levels of

1 trainees under this chapter entering or returning to the workforce,  
2 broken down by:

3 (A) current employees undergoing retraining;

4 (B) new hires; and

5 (C) region of the state;

6 (3) the average and median weekly wage levels of  
7 trainees under this chapter entering or returning to the workforce,  
8 broken down by region of the state;

9 (4) the number and percentage of trainees covered by  
10 health care insurance coverage, workers' compensation insurance  
11 coverage, and other analogous benefit programs;

12 (5) the total amount of money awarded in each region of  
13 the state and the percentage that amount represents of the total  
14 amount of money awarded on a statewide basis;

15 (6) a comparison of the percentage of total dollars  
16 awarded to each region versus each region's percentage of:

17 (A) the state's population;

18 (B) the civilian labor force;

19 (C) the number of unemployed persons; and

20 (D) the number of qualified grant applications  
21 submitted to the commission by school districts and open-enrollment  
22 charter schools described by Section 303.003(b-3) and public  
23 community and technical colleges;

24 (7) the total amount of money awarded to  
25 micro-employers, small employers, medium employers, and large  
26 employers, reported by region of the state; and

27 (8) the total number of jobs created or persons

1 retrained under the program:

2 (A) by region of the state;

3 (B) by occupation classified by the two-digit  
4 standard industrial classification;

5 (C) by wage level; and

6 (D) whether attributable to:

7 (i) relocation of businesses to this state;

8 or

9 (ii) training or retraining of employees of  
10 existing employers.

11 SECTION 9. This Act takes effect September 1, 2019.