

By: Campbell

S.B. No. 1724

A BILL TO BE ENTITLED

AN ACT

relating to certain public school workforce training programs funded by the skills development fund.

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

SECTION 1. Section 303.001(a), Labor Code, is amended to read as follows:

(a) The purpose of this chapter is to remove administrative barriers that impede the response of school districts and open-enrollment charter schools described by Section 303.003(b-3), public community and technical colleges, community-based organizations, and the Texas A&M Engineering Extension Service to industry and workforce training needs and to develop incentives for those entities [~~public community and technical colleges, community-based organizations, and the Texas Engineering Extension Service~~] to provide customized assessment and training in a timely and efficient manner.

SECTION 2. Section 303.001(b), Labor Code, is amended by adding Subdivision (3) to read as follows:

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

SECTION 3. Section 303.002, Labor Code, is amended to read as follows:

Sec. 303.002. WAIVER; RECOVERY OF CERTAIN COSTS. (a) The commission may review and recommend to the legislature the waiver

1 of any requirements set forth in the [~~Title 3,~~] Education Code, as
2 they may apply to a school district or open-enrollment charter
3 school described by Section 303.003(b-3) or public community and
4 technical college [~~colleges~~], that impede the ability of the
5 district, school, or [~~such a~~] college to develop in a timely manner
6 customized training for demand occupations in particular
7 industries, including statutes or regulations limiting costs that
8 may be recovered from state funds by the district, school, or [~~a~~
9 ~~public community or technical~~] college [~~from state funds~~].

10 (b) A school district or open-enrollment charter school
11 described by Section 303.003(b-3), a public community or technical
12 college, or the Texas A&M Engineering Extension Service may recover
13 customized assessment and training costs incurred by the district,
14 school, college, or service [~~institution~~] if:

15 (1) there is an actual or projected labor shortage in
16 the occupation in which training is provided that is not being met
17 by an existing institution or program in the area; and

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

23 SECTION 4. Section 303.003, Labor Code, is amended by
24 amending Subsections (b), (b-1), (f), and (g) and adding Subsection
25 (b-3) to read as follows:

26 (b) The skills development fund may be used by school
27 districts and open-enrollment charter schools described by

1 Subsection (b-3), public community and technical colleges,
2 community-based organizations, and the Texas A&M Engineering
3 Extension Service as start-up or emergency funds for the following
4 job-training purposes:

5 (1) developing customized training programs for
6 businesses and trade unions; and

7 (2) sponsoring small and medium-sized business
8 networks and consortiums.

9 (b-1) The commission by rule may establish and develop
10 additional job incentive programs that use the skills development
11 fund to create incentives for school districts and open-enrollment
12 charter schools described by Subsection (b-3) or public community
13 and technical colleges in partnership with one or more employers,
14 including prospective employers who commit to establishing a place
15 of business in this state, to provide workforce training in an
16 effort to create and retain employment opportunities in this state.
17 Under a program established under this subsection, the commission
18 may commit money to a prospective employer described by this
19 subsection contingent on the employer's establishment of a place of
20 business in this state.

21 (b-3) In addition to the programs established under
22 Subsections (b), (b-1), and (b-2), the commission by rule shall
23 establish and develop additional programs using the skills
24 development fund under which a school district or open-enrollment
25 charter school that includes a high school that provides a career
26 and technology education program in which at least 35 percent of the
27 students at the high school are enrolled may provide through that

1 high school customized workforce training opportunities designed
2 specifically to meet regional emerging future industry and
3 workforce training needs identified by the commission for purposes
4 of this subsection. To participate in a program established under
5 this subsection, a school district or open-enrollment charter
6 school is not required to partner with one or more specific
7 employers or institutions of higher education.

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

11 (1) are statewide in nature; or

12 (2) are not available from a school district or
13 open-enrollment charter school described by Subsection (b-3), a
14 local junior college district, a local technical college, or a
15 consortium of junior college districts.

16 (g) This section does not prohibit the Texas A&M Engineering
17 Extension Service from participating in a consortium of junior
18 college districts or with a school district or open-enrollment
19 charter school described by Subsection (b-3) or a technical college
20 that provides training under this chapter.

21 SECTION 5. Section [303.004](#), Labor Code, is amended to read
22 as follows:

23 Sec. 303.004. FUND REVIEW; REPORT BY CERTAIN WORKFORCE
24 TRAINING PROVIDERS REQUIRED. (a) The Texas Higher Education
25 Coordinating Board shall review all customized training programs
26 biennially to verify that state funds are being used appropriately
27 by school districts and open-enrollment charter schools described

1 by Section 303.003(b-3), public community and technical colleges,
2 and the Texas A&M Engineering Extension Service under this chapter.
3 The Texas Education Agency shall assist the Texas Higher Education
4 Coordinating Board as necessary in the board's review of a
5 customized training program provided by a high school of a school
6 district or open-enrollment charter school described by Section
7 303.003(b-3).

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

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

15 (A) determine the effectiveness of the programs
16 in improving the wages of participants who complete the programs;
17 and

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

21 (2) submit to the commission a detailed written report
22 summarizing the results of the review for inclusion by the
23 executive director in the report to the governor and the
24 legislature required by Section 303.006(c).

25 (c) If a school district or open-enrollment charter school
26 described by Section 303.003(b-3), the Texas A&M Engineering
27 Extension Service, or a public community or technical college fails

1 to submit a report required by Subsection (b)(2):

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

6 (2) the commission may not award any additional grant
7 to the district, school, service, or college under this chapter
8 until the district, school, service, or college has complied with
9 that reporting requirement.

10 SECTION 6. Section 303.006(d), Labor Code, is amended to
11 read as follows:

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

13 (1) the total number of applications submitted, the
14 total number of applications approved, and the total number of
15 applications rejected by region of the state;

16 (2) the average and median weekly wage levels of
17 trainees under this chapter entering or returning to the workforce,
18 broken down by:

19 (A) current employees undergoing retraining;

20 (B) new hires; and

21 (C) region of the state;

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

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

1 (5) the total amount of money awarded in each region of
2 the state and the percentage that amount represents of the total
3 amount of money awarded on a statewide basis;

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

6 (A) the state's population;

7 (B) the civilian labor force;

8 (C) the number of unemployed persons; and

9 (D) the number of qualified grant applications
10 submitted to the commission by school districts and open-enrollment
11 charter schools described by Section 303.003(b-3) and public
12 community and technical colleges;

13 (7) the total amount of money awarded to
14 micro-employers, small employers, medium employers, and large
15 employers, reported by region of the state; and

16 (8) the total number of jobs created or persons
17 retrained under the program:

18 (A) by region of the state;

19 (B) by occupation classified by the two-digit
20 standard industrial classification;

21 (C) by wage level; and

22 (D) whether attributable to:

23 (i) relocation of businesses to this state;

24 or

25 (ii) training or retraining of employees of
26 existing employers.

27 SECTION 7. This Act takes effect September 1, 2019.