

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 86TH LEGISLATIVE REGULAR SESSION**

**March 29, 2019**

**TO:** Honorable Rafael Anchia, Chair, House Committee on International Relations & Economic Development

**FROM:** John McGeady, Assistant Director    Sarah Keyton, Assistant Director  
Legislative Budget Board

**IN RE: HB2416** by Frullo (Relating to the administration by the Texas Workforce Commission of a workforce diploma pilot program.), **As Introduced**

The fiscal implications of the bill cannot be determined at this time due to the uncertainty of the number of participating providers.

The bill would amend the Labor Code relating to the administration by the Texas Workforce Commission (TWC) of a workforce diploma pilot program. Under the provisions of the bill, TWC, in consultation with the Texas Education Agency, would be required to establish and administer a workforce diploma pilot program to reimburse eligible providers for assisting adult students in obtaining a high school diploma and developing technical career readiness skills and employability. The bill states that TWC is required to reimburse each eligible participating provider for certain achievement milestones by students, to the extent money is available for the program. The bill requires that TWC establish rules to determine eligibility guidelines for providers and minimum performance standards that must be met in order for providers to continue participating in the program.

The fiscal implications of the bill cannot be determined at this time due to the uncertainty of the number of participating providers. The potential costs and reimbursements awarded would be dependent on the adoption of TWC rules relating to provider eligibility, reimbursement, and provider performance review requirements. In addition, the agency by rule would be required to define terms, such as regional accrediting body, credit and half credit, employability skills, graduation rate, and diplomas and industry-recognized credentials, which would ultimately impact the number of eligible providers and reimbursements provided.

The pilot program would expire September 1, 2025.

**Local Government Impact**

No fiscal implication to units of local government is anticipated.

**Source Agencies:** 320 Texas Workforce Commission, 701 Texas Education Agency

**LBB Staff:** WP, CLo, SGr, CP

