BILL ANALYSIS

Senate Research Center 87R25495 KJE-D

C.S.H.B. 3938
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Natural Resources & Economic Development
5/21/2021
Committee Report (Substituted)

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

In 2017, the legislature passed H.B. 22, which required the state to account for high school students who earn an industry-based certification as one indicator within the student achievement domain of the state's public-school accountability system. Industry-based certifications represent skills and learning that demonstrate students are experienced in real-world industry skills which makes them more competitive in the job market.

Under current law, industry-based certifications must be approved by the Texas Education Agency (TEA) before a school district can receive credit towards its accountability rating. Interested parties assert that the process for reviewing and approving industry-based certifications could be improved with more extensive and robust stakeholder input, especially at the regional level.

To that end, H.B. 3938 establishes the industry-based certification advisory council to better align career and technology education programs with current and future workforce needs of every community and region in Texas. The advisory council would include members representing employers, career and technology educators, and public junior colleges from across the state. On an annual basis, the advisory council would be charged with developing and revising the inventory of industry-based certifications that may be earned by high school students through career and technology courses.

The committee substitute for H.B. 3938 requires the Texas Workforce Commission to provide administrative support for the advisory council. The committee substitute also clarifies that public technical colleges may be represented on the council.

C.S.H.B. 3938 amends current law relating to the establishment of the industry-based certification advisory council and the transfer of certain duties to that advisory council.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Subtitle B, Title 4, Labor Code, by adding Chapter 312, as follows:

CHAPTER 312. INDUSTRY-BASED CERTIFICATION ADVISORY COUNCIL

Sec. 312.001. DEFINITION. Defines "advisory council" as the industry-based certification advisory council established under this chapter.

Sec. 312.002. ADVISORY COUNCIL. (a) Provides that the industry-based certification advisory council (advisory council) is established to advise the Texas Workforce Commission (TWC) regarding the alignment of public high school career and technology education programs with current and future workforce needs in communities, regions, and the state.

- (b) Provides that the advisory council is composed of the following nine members:
 - (1) three members representing industry in this state, one each appointed by the governor, the lieutenant governor, and the speaker of the Texas House of Representatives (house);
 - (2) three members representing public school teachers who teach career and technology education courses or public school administrators, one each appointed by the governor, the lieutenant governor, and the speaker of the house; and
 - (3) three members representing a public junior college, public state college, or public technical institute, as those terms are defined by Section 61.003, Education Code (Definitions), one each appointed by the governor, the lieutenant governor, and the speaker of the house.
- (c) Provides that the members of the advisory council serve staggered four-year terms, with the terms of either four or five members expiring February 1 of each odd-numbered year.
- (c-1) Requires the initial members, notwithstanding Subsection (c), to determine by lot which four of the nine initial members will serve terms that expire February 1, 2023, and which five of the nine initial members will serve terms that expire February 1, 2025. Provides that this subsection expires January 1, 2026.
- (d) Requires that a vacancy on the advisory council be filled in the same manner as the original appointment for that position.
- (e) Provides that a member of the advisory council is not entitled to compensation for service as a member of the advisory council but is entitled to reimbursement for actual and necessary travel expenses incurred in performing functions as a member of the advisory council, as provided in the General Appropriations Act.
- (f) Requires TWC, using existing resources, to provide administrative and staff support for the advisory council.

SECTION 2. Transfers Section 29.189, Education Code, to Chapter 312, Labor Code, as added by this Act, redesignates it as Section 312.003, Labor Code, and amends it, as follows:

Sec. 312.003. INVENTORY OF CREDENTIALS AND CERTIFICATES. (a) Requires the advisory council to develop an inventory of industry-recognized credentials and certificates that may be earned by a public high school student through a career and technology education program and that are aligned to state and regional workforce needs and serve as an entry point to middle- and high-wage jobs.

Deletes existing text defining "commission" and "coordinating board" and referencing required duties of the Texas Education Agency (TEA), TWC, and Texas Higher Education Coordinating Board (THECB). Makes conforming and nonsubstantive changes.

- (b) Creates this subsection from existing text and makes a nonsubstantive change.
- (c) Authorizes the advisory council, in developing the inventory, to consult with local workforce boards, the Texas Workforce Investment Council, the Texas Economic Development and Tourism Office, and THECB.

- (d) Requires the advisory council to establish a process for developing the inventory, including the criteria for the inclusion of a credential or certificate in the inventory.
- (e) Requires the advisory council to annually review and revise the inventory.
- (f) Requires TWC, each year, to:
 - (1) adopt and, if necessary, review the inventory, rather than review and, if necessary, update the inventory; and
 - (2) provide a copy of the inventory to TEA and to each school district, rather than to each school district, and public institution of higher education that offers a career and technology education program to public high school students.

SECTION 3. Requires the advisory council established under Chapter 312, Labor Code, as added by this Act, as soon as practicable after the effective date of this Act but not later than January 1, 2022, to develop the initial inventory required under that chapter.

SECTION 4. Effective date: upon passage or September 1, 2021.