87R4498 MLH-D

By:  Thierry H.B. No. 1032

A BILL TO BE ENTITLED

AN ACT

relating to certain public school workforce training programs funded by the skills development fund and to authorizing school districts to provide funding using money received under the Foundation School Program to community-based organizations for purposes of reimbursing private employers for paid internships provided to certain students in career and technology education programs in the district.

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

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

Sec. 29.1871.  CONTRACT TO REIMBURSE FOR PAID INTERNSHIP. (a) In this section, "community-based organization" has the meaning assigned by Section 303.001, Labor Code.

(b)  To encourage private employers to participate with school districts in providing career and technology education to assist students in developing the knowledge, skills, and competencies necessary for a broad range of career opportunities, the board of trustees of a school district may contract with a community-based organization to:

(1)  match students in grade 11 or 12 who are participating in a career and technology education program in the district with paid internships or similar programs provided by private employers; and

(2)  reimburse private employers for all or part of the cost of providing paid internships or similar programs to students described by Subdivision (1) using funds provided to the community-based organization by the district.

(c)  A contract described by Subsection (b) must:

(1)  require each paid internship or similar program provided to the school district's students to primarily promote a public purpose of the district relating to career and technology education;

(2)  include provisions under which the school district is granted sufficient control to ensure that the public purpose under Subdivision (1) is accomplished and the district receives the return benefit; and

(3)  ensure that each student employed under a paid internship or similar program is paid at least the minimum wage required by law.

(d)  In providing funds to a community-based organization for the purposes of reimbursing a private employer under a contract under Subsection (b), the school district may use funds allocated to the district for career and technology education under Section 48.106.

(e)  A community-based organization with which a school district contracts under Subsection (b) may serve as the employer of record for a student employed under a paid internship or similar program provided under a contract described by Subsection (b).

(f)  Completion of a paid internship or similar program provided under a contract described by Subsection (b) may satisfy a requirement to complete a practicum as part of a school district's career and technology education program.

SECTION 2.  Section 48.106(c), Education Code, is amended to read as follows:

(c)  At least 55 percent of the funds allocated under this section must be used:

(1)  in providing career and technology education programs in grades 7 through 12; or

(2)  in providing funding to a community-based organization under a contract entered into under Section 29.1871 for purposes of reimbursing private employers for providing paid internships or similar programs to students in career and technology education programs.

SECTION 3.  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, local workforce development boards, 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, local workforce development boards, and the Texas A&M Engineering Extension Service~~] to provide customized assessment and training in a timely and efficient manner.

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

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

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

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

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

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

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

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

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

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

(c-1)  A community-based organization is not eligible for reimbursement under a contract entered into with a school district under Section 29.1871, Education Code, for an expense of the organization for a purpose described by Subsection (b) and for which purpose the organization received money from the skills development fund under this chapter.

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

(1)  are statewide in nature; or

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(A)  current employees undergoing retraining;

(B)  new hires; and

(C)  region of the state;

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

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

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

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

(A)  the state's population;

(B)  the civilian labor force;

(C)  the number of unemployed persons; and

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

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

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

(A)  by region of the state;

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

(C)  by wage level; and

(D)  whether attributable to:

(i)  relocation of businesses to this state; or

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

SECTION 9.  This Act takes effect September 1, 2021.