

By: Thierry

H.B. No. 1032

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 provide funding using money received under the
5 Foundation School Program to community-based organizations for
6 purposes of reimbursing private employers for paid internships
7 provided to certain students in career and technology education
8 programs in the district.

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

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

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

13 (a) In this section, "community-based organization" has the
14 meaning assigned by Section 303.001, Labor Code.

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

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

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

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

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

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

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

17 (d) In providing funds to a community-based organization
18 for the purposes of reimbursing a private employer under a contract
19 under Subsection (b), the school district may use funds allocated
20 to the district for career and technology education under Section
21 [48.106](#).

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

26 (f) Completion of a paid internship or similar program
27 provided under a contract described by Subsection (b) may satisfy a

1 requirement to complete a practicum as part of a school district's
2 career and technology education program.

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

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

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

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

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

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

27 SECTION 4. Section 303.001(b), Labor Code, is amended by

1 adding Subdivision (3) to read as follows:

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

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

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

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

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

25 (2) the wages at the time of job placement for
26 individuals who successfully complete customized training at the
27 district, school, [public community or technical] college, or

1 service [~~the Texas A&M Engineering Extension Service~~] are equal to
2 the prevailing wage for that occupation in the local labor market
3 area.

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

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

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

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

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

1 business in this state.

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

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

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

25 (1) are statewide in nature; or

26 (2) are not available from a school district or
27 open-enrollment charter school described by Subsection (b-3), a

1 local junior college district, a local technical college, or a
2 consortium of junior college districts.

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

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

10 Sec. 303.004. FUND REVIEW; REPORT BY CERTAIN WORKFORCE
11 TRAINING PROVIDERS REQUIRED. (a) The Texas Higher Education
12 Coordinating Board shall review all customized training programs
13 biennially to verify that state funds are being used appropriately
14 by school districts and open-enrollment charter schools described
15 by Section 303.003(b-3), public community and technical colleges,
16 and the Texas A&M Engineering Extension Service under this chapter.
17 The Texas Education Agency shall assist the Texas Higher Education
18 Coordinating Board as necessary in the board's review of a
19 customized training program provided by a high school of a school
20 district or open-enrollment charter school described by Section
21 303.003(b-3).

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

27 (1) conduct a review of the district's, school's,

1 service's, or college's training programs to:

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

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

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

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

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

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

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

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

27 (1) the total number of applications submitted, the

1 total number of applications approved, and the total number of
2 applications rejected by region of the state;

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

6 (A) current employees undergoing retraining;

7 (B) new hires; and

8 (C) region of the state;

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

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

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

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

20 (A) the state's population;

21 (B) the civilian labor force;

22 (C) the number of unemployed persons; and

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

27 (7) the total amount of money awarded to

1 micro-employers, small employers, medium employers, and large
2 employers, reported by region of the state; and

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

5 (A) by region of the state;

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

8 (C) by wage level; and

9 (D) whether attributable to:

10 (i) relocation of businesses to this state;

11 or

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

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