

BILL ANALYSIS

C.S.H.B. 1703

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International Relations & Economic Development
Committee Report (Substituted)

BACKGROUND AND PURPOSE

The Texas Workforce Commission (TWC) and local workforce development boards operate a number of different workforce training programs for Texans. The current wage and employment outcomes of Texans who participate in a state-supported workforce training program are mixed. For example, TWC reports that veterans in state workforce programs in 2019 had negative employment and wage outcomes in the first year, while participants in the SNAP Employment & Training program in the same year saw both outcomes increase. The information reported, however, is insufficient to craft targeted program changes to improve participants' outcomes. This can be addressed through more defined methods of measuring wage outcomes in line with statutorily defined self-sufficient wage levels and better categorization of program services. C.S.H.B. 1703 seeks to address these issues by revising requirements relating to workforce development program evaluation data and related analyses and by creating a pilot program requiring data collection and analysis of career education and training programs and program outcomes in the Borderplex workforce development area.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

C.S.H.B. 1703 amends the Labor Code to revise the law governing the workforce development evaluation system administered by the Texas Workforce Commission (TWC), as follows:

- requires evaluation data in the system to be disaggregated by race, ethnicity, sex, income, and location;
- specifies that the wage record information collected by TWC for which TWC may develop a method for collecting occupational information to supplement such information is to be collected by TWC as authorized under the Texas Unemployment Compensation Act;
- requires TWC to ensure that the system includes with the evaluation data a hyperlink to a website where self-sufficient wage data, as determined by the Tri-Agency Workforce Initiative, is posted and, following any modernization of the system by TWC on or after September 1, 2023, that the evaluation data in the system includes a comparison of self-sufficient wage data with program earnings outcomes at the first, third, and fifth anniversary of the date of program completion; and
- requires the analysis of each workforce development program that TWC is required to issue at least annually to certain entities to include, following any modernization of the

system by TWC on or after September 1, 2023, detailed information on the services provided with each offered program and an analysis regarding the attainment of employment paying a self-sufficient wage following completion of a career education and training program.

C.S.H.B. 1703 requires TWC to establish and administer a pilot program in the Borderplex workforce development area under which the local workforce development board serving that area is required to collect and evaluate cross-sectional data and longitudinal supplemental data regarding career education and training programs administered in that area for the purposes of identifying the following:

- successful program components; and
- any gaps in data used to follow up on career education and training program participants following program completion maintained by the applicable agencies under the Tri-Agency Workforce Initiative.

The bill requires TWC, under the pilot program, to ensure that the local workforce development board serving the Borderplex workforce development area maintains the same type of evaluation data required to be in the workforce development evaluation system and data regarding the attainment of employment paying a self-sufficient wage for each career education and training program participant following program completion, disaggregated by race, ethnicity, sex, income, and location.

C.S.H.B. 1703 requires the local workforce development board, on completion of the pilot program and in coordination with TWC, to issue an analysis, by occupation and by provider, of the job placement performance of each career education and training program. The analysis must include an analysis of the attainment of employment paying a self-sufficient wage following program completion and detailed information on the services provided with each offered program. The bill authorizes TWC to share individual-level outcome information resulting from the pilot program with state agencies represented on the Texas Workforce Investment Council through secure means that may be accessed only by authorized employees of those agencies. The bill requires TWC, not later than December 1, 2028, to submit to the legislature a written report on the results of the pilot program and a recommendation on whether the pilot program should be continued on a statewide basis. The bill's provisions relating to the pilot program expire September 1, 2029.

C.S.H.B. 1703 defines "career education and training program," by reference, for purposes of statutory provisions relating to the division of workforce development of TWC as follows:

- a career and technology education program offered by a public school;
- a career technical or workforce education program, as defined by the Texas Higher Education Coordinating Board, offered by an institution of higher education;
- a program administered by TWC relating to jobs training, skills development, or adult education and literacy; and
- a work-based learning program, such as an apprenticeship or internship program, that receives state funding or is administered by TWC.

EFFECTIVE DATE

September 1, 2023.

COMPARISON OF INTRODUCED AND SUBSTITUTE

While C.S.H.B. 1703 may differ from the introduced in minor or nonsubstantive ways, the following summarizes the substantial differences between the introduced and committee substitute versions of the bill.

Whereas the introduced included student follow-up information available through the Texas Education Agency among the information from which the workforce development evaluation system must be derived, the substitute does not make this change.

The introduced included data regarding the attainment of employment paying a self-sufficient wage following completion of a career education and training program among the information disaggregated by race, ethnicity, sex, income, and location to be included in the evaluation system. The substitute does not do so and requires TWC instead to ensure that the system includes a hyperlink to a website where self-sufficient wage data is posted and, following any modernization of the system on or after September 1, 2023, that the system's evaluation data includes a comparison of self-sufficient wage data with program earnings outcomes at the first, third, and fifth anniversary of the date of program completion.

The substitute includes a requirement for TWC to establish and administer the workforce development career education and training evaluation pilot program in the Borderplex workforce development area and related provisions, which were not present in the introduced.

The substitute omits the provision of the introduced that changed the scope of the statutory requirement for TWC to issue an analysis of each workforce development program at least annually to certain entities by requiring such an analysis for each career education and training program rather than each workforce development program. The substitute provides instead for the applicable local workforce development board to issue a one-time analysis of the job placement performance of each career education and training program on completion of the pilot program. The introduced and substitute also differ with respect to such analyses in the following ways:

- whereas the introduced authorized TWC to share individual-level outcome information resulting from a career education and training program analysis under the revised requirement with state agencies represented on the Texas Workforce Investment Council, the substitute authorizes TWC to share individual-level outcome information resulting from the pilot program with those state agencies; and
- both versions require an analysis issued by TWC to include an analysis regarding the attainment of employment paying a self-sufficient wage following completion of a career education and training program and detailed information on services provided with each offered program, but the substitute specifies that the requirements apply following any modernization of the evaluation system by TWC on or after September 1, 2023.