

BILL ANALYSIS

C.S.H.B. 4411

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International Relations & Economic Development

Committee Report (Substituted)

BACKGROUND AND PURPOSE

Currently, statute only allows apprenticeship programs that are registered under the U.S. Department of Labor to be considered for inclusion in the state's adult and secondary career and technical education apprenticeship training programs. It has been suggested that federal guidelines and regulations involved in registering a new apprenticeship under the Department of Labor may discourage employers from developing or participating in registered apprenticeships. Federal regulations may impede the growth of registered apprenticeships, which may lead to an inadequate supply of professionals in high-wage, high-demand fields in Texas. Allowing the Texas Workforce Commission (TWC) to establish an alternative to registered apprenticeships would provide Texans with a greater number of opportunities to accomplish their objectives, enable employers to offer "earn-while-you-learn" paths, and benefit the state by bridging the middle skills gap. C.S.H.B. 4411 seeks to close the workforce gap by granting TWC authority to certify industry-recognized apprenticeship programs and allow TWC, in coordination with the Texas Education Agency or the Texas Higher Education Coordinating Board, to establish standards aligned with the tri-agency work-based learning strategic framework for youth apprenticeships.

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 rulemaking authority is expressly granted to the Texas Workforce Commission in SECTIONS 4 and 5 of this bill.

ANALYSIS

C.S.H.B. 4411 amends the Education Code to require the Texas Workforce Commission (TWC) by rule to establish procedures and standards by which TWC may allocate funds available for the support of apprenticeship training programs to support pre-apprenticeships designed for high school students enrolled in career and technical education programs of study leading to employment in high-wage, high-demand occupations. The standards must meet the following criteria:

- be developed in coordination with the Texas Education Agency (TEA) or Texas Higher Education Coordinating Board (THECB);
- align with the tri-agency work-based learning strategic framework; and
- ensure that any committee overseeing a pre-apprenticeship satisfies the following criteria regarding its members:
 - excludes from its membership any bargaining agent representing apprenticeable occupations certified by the Office of Apprenticeship;

- includes at least one member who is a representative of a community-based organization that demonstrates evidence of success in coordinating and managing job placement services for at least one industry served by the committee; and
- maintains, as a majority of the committee's membership, members who represent employers.

The bill requires TWC to publish wage outcome data for apprentices who complete an apprenticeship training program on the TWC website and include the outcome data in the unified repository for education and workforce data.

C.S.H.B. 4411 requires TWC's rules regarding the apprenticeship system of adult career and technology education to include rules establishing the following:

- which occupations are recognized by TWC as an apprenticeable occupation, based on specified criteria;
- standards of apprenticeship for particular trades; and
- a process for and the criteria by which TWC may certify a training or apprenticeship program as an industry-recognized apprenticeship program, which must include a requirement that the training or program lead to employment in a high-wage, high-demand occupation and criteria generally consistent with apprenticeship standards as determined by TWC.

The bill revises the definition of "apprenticeship training program" to reflect TWC's recognition of apprenticeable occupations under these rules and establishes that certification by TWC as an industry-recognized apprenticeship program under these rules serves as an alternative to the requirement for an apprenticeship program to be registered with the Office of Apprenticeship and approved by TWC. The bill revises the requirements for career and technical education programs of study by providing the option for a program to culminate in the attainment of an apprenticeship so certified by TWC as an alternative to certain other outcomes.

EFFECTIVE DATE

September 1, 2023.

COMPARISON OF INTRODUCED AND SUBSTITUTE

While C.S.H.B. 4411 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.

The substitute omits the specification included in the introduced that the pre-apprenticeships that TWC is required to establish fund allocation procedures and standards to support are paid pre-apprenticeships. Whereas the introduced required those standards to be developed in coordination with both TEA and the THECB, the substitute requires the standards to be developed in coordination with either TEA or the THECB. Additionally, whereas the introduced required the standards to ensure that any committee overseeing a pre-apprenticeship excludes from its membership any bargaining agent representing apprenticeable occupations recognized by TWC by rule or certified by the Office of Apprenticeship, the substitute omits from that requirement the exclusion of those occupations recognized by TWC by rule, while still including the occupations certified by the office.

While both the introduced and substitute require TWC to adopt rules that establish a process for and the criteria for certifying a training or apprenticeship program as an industry-recognized apprenticeship program, the introduced required the inclusion of criteria generally consistent with standards of apprenticeship prescribed by federal regulations, but the substitute requires the inclusion of criteria generally consistent with standards of apprenticeship as determined by TWC.

While both the introduced and substitute provide the option for a career and technical education program of study to culminate in the attainment of an apprenticeship certified by TWC as an alternative to certain other outcomes, the substitute omits a specification included in the introduced that the TWC rules by which an apprenticeship is certified as an industry-recognized apprenticeship program are rules under statutory provisions relating to the apprenticeship system of adult career and technology education.