

- SUBJECT:** Making certain high schools eligible for workforce training programs
- COMMITTEE:** International Relations and Economic Development — committee substitute recommended
- VOTE:** 7 ayes — Anchia, Blanco, Cain, Larson, Metcalf, Perez, Raney
- 0 nays
- 2 absent — Frullo, Romero
- WITNESSES:** For — Erin Valdez, Texas Public Policy Foundation; Joshua Sanders, TXRX Labs; (*Registered, but did not testify:* Priscilla Camacho, Dallas Regional Chamber; Traci Berry, Goodwill Central Texas; Shannon Noble, Texas Air Conditioning Contractors Association; Sandy Hoy, Texas Apartment Association; Ned Muñoz, Texas Association of Builders; James Hines, Texas Association of Business; Lori Henning, Texas Association of Goodwills; Veronica Garcia, Texas Charter Schools Association; Jenna Courtney, Texas Partnership for Out of School Time; Ashley Harris, United Ways of Texas)
- Against — Mike Meroney, Texas Association of Manufacturers; (*Registered, but did not testify:* Sarah Matz, Computing Technology Industry Association)
- On — Aaron Demerson, Texas Workforce Commission; (*Registered, but did not testify:* Drew Scheberle, Greater Austin Chamber of Commerce)
- BACKGROUND:** Labor Code ch. 303 creates the skills development fund, which may be used by public community and technical colleges, community-based organizations, and the Texas Engineering Extension Service as start-up or emergency funds for certain job-training purposes. The fund and related programs are overseen by the Texas Workforce Commission.
- DIGEST:** CSHB 1469 would allow certain public school districts and charter schools to participate in job training and incentive programs established

by the Texas Workforce Commission (TWC) and supported by the skills development fund.

TWC would be required to establish and develop by rule additional programs using the skills development fund under which a school district or open-enrollment charter school could provide customized workforce training opportunities designed specifically to meet identified regional emerging future industry and workforce training needs.

To qualify for these programs, a school district or charter school would have to include a high school that provided a career and technology education program in which at least 35 percent of the high school's students were enrolled. A school district or charter school would not be required to partner with one or more specific institutions of higher education in order to participate in a program established under the bill.

CSHB 1469 also would include school districts and charter schools among the entities that could use the skills development fund as start-up or emergency funds for certain job-training purposes.

TWC could establish job incentive programs that use the skills development fund to create incentives for school districts and open-enrollment charter schools to provide workforce training in an effort to create and retain employment opportunities in the state.

The Texas Higher Education Coordinating Board (THECB) would be required to biennially review all customized training programs using the skills development fund to verify that state funds were being used appropriately by school districts and open-enrollment charter schools. The Texas Education Agency would assist THECB 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 as described in the bill.

By October 1 of each even-numbered year, each school district and open-enrollment charter school that provided workforce training under the bill would conduct a review of the training programs to determine their

effectiveness and identify strategies for improving the delivery of workforce training. School districts and charter schools would have to submit a detailed written report summarizing the results of the review to TWC for inclusion in the commission's required report to the governor and Legislature.

The bill would take effect September 1, 2019.

**SUPPORTERS
SAY:**

CSHB 1469 would promote workforce development while also improving high school outcomes by making qualifying public high schools and charter schools eligible for certain programs supported by the skills development fund.

Allowing high schools to participate in the fund would enhance career and technical education in rural and other communities struggling to meet the needs of the emerging workforce. Because participation in such education programs is associated with higher graduation rates, lower dropout rates, and higher scores on assessment tests, the bill also could result in improved academic outcomes for students participating in these programs. Expanding eligibility for programs supported by the skills development fund to high schools would enable schools to better prepare students with the skills needed to contribute to a competitive workforce upon graduation.

**OPPONENTS
SAY:**

CSHB 1469 would inappropriately expand the use of the skills development fund. This fund should continue to be used only at the higher education level, where employers are more likely to find and train prospective employees to fill open jobs. Funding for career and technical education could be increased at public high schools and charter schools through other funding mechanisms, such as the weighted allotment for career and technology education.