

SUBJECT: Creating the Tri-Agency Workforce Initiative of TEA, THECB, and TWC

COMMITTEE: International Relations and Economic Development — committee
substitute recommended

VOTE: 6 ayes — Button, C. Morales, Beckley, Canales, Hunter, Larson

0 nays

3 absent — C. Bell, Metcalf, Ordaz Perez

WITNESSES: For — Mark Sherry, Baylor Scott and White Health and Austin Chamber of Commerce; Peter Beard, Greater Houston Partnership; John Hryhorchuk, Texas 2036; Mike Meroney, Texas Association of Manufacturers; Todd Williams, Commit Partnership; (*Registered, but did not testify*: Bryan Hebert, College Board; Mary Lynn Pruneda, Commit Partnership; Daniel Womack, Dow, Inc.; CJ Tredway, IEC of Texas; Brian Yarbrough, JPMorgan Chase Holdings LLC; Dana Harris, Metro 8 Chambers of Commerce and Texas 2050 Coalition; Annie Spilman, NFIB; Patrick Brophy, North Texas Commission; Taylor Sims, Project Lead the Way and WGU Texas; Charles Gaines, Raise Your Hand Texas; Gerald Lee, San Antonio Chamber of Commerce; Jay Brown, Texas Association of Builders; Megan Herring, Texas Association of Business; Lori Henning, Texas Association of Goodwills; Justin Yancy, Texas Business Leadership Council; Erin Valdez, Texas Public Policy Foundation; Jennifer Allmon, The Texas Catholic Conference of Bishops; Ashley Harris, United Ways of Texas)

Against — None

On — Chris Cervini, Austin Community College District; Kerry Ballast, Texas Workforce Commission; (*Registered, but did not testify*: Priscilla Camacho, Alamo Colleges District; Martin Gutierrez, San Antonio Hispanic Chamber of Commerce; Greg Vaughn, Texas Association of Workforce Boards; Jarrad Toussant, Texas Education Agency)

BACKGROUND: Some have called for the Legislature to better align the state's education and workforce systems with current needs to meet workforce demand.

DIGEST: CSHB 3767 would establish the Tri-Agency Workforce Initiative, composed of the Texas Education Agency (TEA), the Texas Higher Education Coordinating Board (THECB), and the Texas Workforce Commission (TWC). The purpose of the initiative would be to:

- coordinate and optimize information and other resources as necessary to align career education and training programs to workforce demands;
- provide residents of Texas with timely and accurate information needed to plan education and workforce pathways; and
- enable local and state policy makers to evaluate the effectiveness of career education and training programs and progress toward the state workforce development goals.

Interagency agreements and staffing. TEA, THECB, and TWC would have to enter into one or more interagency agreements establishing policies and processes for sharing and matching relevant data, cooperatively managing education and workforce information collected by each agency, and coordinating the assignment of staff and other resources to effectuate the state workforce development goals and strategies.

The time spent by an agency, coordinating board, or commission employee in supporting the initiative would not be included in calculating the number of full-time equivalents allotted to each agency.

Quarterly discussions. The commissioner of education, commissioner of higher education, and chair of TWC would have to discuss the work of the tri-agency initiative at least once per quarter. TEA, THECB, and TWC would have to hold an initial discussion by October 1, 2021.

Unified workforce data repository. TEA, THECB, and TWC would have to use the established P-20/Workforce Data Repository as the central repository of career and education data. The agency, coordinating board,

and commission would have to regularly review the collected data and incorporate into the repository data determined by the executive officers of the respective agencies to be integral to the state workforce development goals and strategies.

Where applicable, the agencies comprising the initiative would have to ensure that records deposited in the repository were automatically matched at the student level on a timely basis to ensure that entities authorized to access the repository had timely information to support higher education and workforce application, entry, and success.

State workforce development goals, strategies. The commissioner of education, commissioner of higher education, and chair of TWC jointly would have to develop and post in a prominent location on the initiative's and each respective agency's internet website state workforce development goals and coordinated interagency strategies for achieving those goals. The bill would specify certain requirements for the development of these goals and strategies.

In consultation with employers, the heads of the respective agencies comprising the initiative would have to:

- jointly update the state workforce development goals and strategies at least every four years, or more frequently if needed to reflect available data and circumstances; and
- designate and update every two years a list of career pathways that includes target occupations and critical career pathways.

By June 1, 2022, the agency heads would have to jointly make recommendations regarding the development of a modern and publicly accessible job skills inventory for public and private sector jobs in Texas.

TEA, THECB, and TWC would have to develop the initial state workforce development goals and initial strategies by January 31, 2022, and April 30, 2022, respectively.

Credential library. TEA, THECB, and TWC would have to jointly establish a publicly accessible web-based library of credentials, such as diplomas, certificates, certifications, digital badges, apprenticeships, licenses, or degrees, that were applicable to Texas and Texans. The credential library would have to be updated at least once per year, and the agencies of the initiative would have to jointly designate a host agency or operating entity for the library. The credential library would have to be developed by September 1, 2022.

Internet-based resources. The agencies comprising the initiative would have to cooperatively establish internet-based resources for the initiative. The resources would have to include a central internet website, a unified dashboard, data on student outcomes disaggregated by demographic information as practicable, guidance on the use of data, and certain tools.

The agencies would have to jointly solicit public comment on the usefulness of the initiative's internet-based resources and, in January of each even-numbered year, publish a summary of the resources.

Student success reporting. TEA, THECB, and TWC would have to coordinate data collection and matching necessary to provide information to each public school and institution of higher education regarding the success of students previously enrolled in a career education and training program offered by the school or institution with respect to critical student outcomes, such as degree and credential completion, employment status and industry of employment, and earnings over time.

In January of each even-numbered year, the heads of the respective agencies comprising the initiative would have to jointly prepare, submit to the Legislature, and post on the initiative's and each respective agency's internet website a report on the impact of career and education training programs on student success and the state workforce development goals.

Opportunity for comment. At least 30 days before finalizing state workforce development goals and strategies or a student success report, TEA, THECB, and TWC would have to jointly post on the initiative's and

each respective agency's internet website the proposed goals, strategies, or report and instructions for submitting comment on those items.

Secure portal. For purposes of state and local planning, program evaluation, and continuous improvement of local and regional education and workforce practices, the initiative agencies would have to jointly establish and support a secure portal through which authorized personnel of approve entities could view and analyze comprehensive longitudinal and the most currently available matched data related to the progress toward meeting state workforce needs.

Employer recognition. Under the bill, the governor could award a Talent for Texas Champions Governor's Award to recognize leading employers in the state who were contributing to workforce improvement by supporting priority job training, reskilling and upskilling programs and whose contributions aligned with strategic priorities for the state, including helping to meet regional workforce demands and enabling more Texans to attain jobs that paid a living wage. The agencies comprising the initiative would have to jointly nominate employers for the award.

Targeted funding. A state agency that received funding through the federal Carl D. Perkins Career and Technical Education Act of 2006 or the Workforce Innovation and Opportunity Act or any other relevant federal funding could to the extent permissible under federal law combine with, transfer to, or delegate to another state agency that received such funding the agency's management of workforce-related funding as necessary to implement the state workforce development goals.

TEA, THECB, and TWC would have to jointly submit to the governor and the standing legislative committees with jurisdiction over state financial alignment efforts a biennial report on how federal and state funding for career education and training programs were being spent in accordance with the state workforce development goals.

A state agency that received federal or state funding for career education and training programs would have to include in its legislative

appropriations request a description of how the agency's career education and training programs and expenditures aligned with the state workforce development goals.

Living wage. TEA, THECB, and TWC would have to jointly determine for each county the wage that constituted a living wage for purposes of the Tri-Agency Workforce Initiative. The determination would have to be based on a common standard that reflected the regionally adjusted minimum employment earnings necessary to meet a family's basic needs while also maintaining self-sufficiency.

Gifts, grants, and donations. The agencies comprising the initiative could accept gifts, grants, and donations from any public or private source for the purposes of the initiative. The agencies would have to investigate potential sources of funding from federal grants or programs that could be used for the purposes of the initiative.

Additional workforce data reporting. TWC would have to work in consultation with employers to enhance and improve the reporting of employment and earnings data by employers to the commission as part of the employer's routine wage filings. By September 1 of each even-numbered year, TWC would have to prepare and submit to the Legislature and post on the commission's website a report on employer participation in the enhanced wage filings. The initial report would have to be submitted by September 1, 2024. Required data priorities and standards for reporting and collecting enhanced wage filings would have to be developed by September 1, 2022.

By January 1, 2022, TWC would have to design and implement a voluntary pilot program for the reporting and collection of enhanced wage filings. By September 1, 2022, TWC would have to submit to the Legislature a report on the results of the pilot program and any recommendations for legislative or other actions.

Implementation. The initiative agencies would have to implement provisions of the bill relating to the unified workforce data repository, the

credential library, and internet-based resources only if:

- the Legislature appropriated funds;
- federal funding was provided to the agencies as part of any federal COVID-19 relief spending; or
- the agencies received gifts, grants, or donations.

If funds were not appropriated or otherwise made available, TEA, THECB, and TWC could implement the provisions using other money available to the agencies for that purpose.

The bill would take effect September 1, 2021.

NOTES:

According the Legislative Budget Board, the bill would have a negative impact of about \$19.1 million in general revenue-related funds through fiscal 2023.