



Legislative Updates

July 2014

Federal Legislative Update

Quarter 2

The Texas Workforce Investment Council's *Legislative Update* is a quarterly publication, designed to inform stakeholders about the developments in federal and state legislation that impacts workforce policy for Texas.



Community College and Apprenticeship Initiative

In mid-April, the U.S. Department of Labor announced the availability of approximately \$450 million in combined funds to support the development and expansion of accessible, job-driven training programs. Part of the Trade Adjustment Assistance and Community College and Career Training (TAACCCT) program, the Community College and Apprenticeship Initiative is focused toward the occupational demand in industry sectors with open positions to fill and potential employees with low starting skills. Programs would create pathways and provide training opportunities to facilitate growth from entry-level positions into more advanced positions.

This initiative provides capacity-building grants to encourage the development of innovative training programs and to increase attainment

of industry-recognized credentials at America's community colleges and universities.

The first rounds of the four-year, nearly \$2 billion TAACCCT program were designed to expand the capacity of the community college system to increase participant access to training programs and to build responsive career pathways and training programs by strengthening employer engagement throughout the process. Grants have supported integrated occupational and academic learning, distance learning, and technology-enhanced learning, among other accelerated learning strategies.

This final grant solicitation will build on these program advancements, expand implementation, and prioritize three primary goals: 1) scale in-demand job training across the country through national industry partnerships; 2) advance education and training to ensure a seamless progression from one pathway milestone to another; and 3) improve the integration and use of statewide employment and education data.

Additional preference will be given to collaborations that include work-based learning partnerships, such as registered apprenticeship sponsors, and workforce system partners that sustain meaningful improvements to the community college system made in previous rounds.

This program is intended to strengthen partnerships between industry, business, union, community college, and training organizations.



Eligible applicants include community colleges and other public, proprietary, or nonprofit educational institutions that offer programs that can be completed in two years.

Applicants must have demonstrated support from the state and local public workforce system and partnerships with multiple regional and national employers or industry groups within the sector.

Designed to ensure that each state has at least one fundable application, the program allowed single institutions to submit applications. A consortia of institutions within the same state or that share an economic region were able to apply for grants up to \$15 million.

The deadline to apply was July 7, 2014.



Workforce Innovation and Opportunity Act Reauthorization Bill Passes

Legislation repeals 1998 WIA

On June 25, 2014, the U.S. Senate voted to pass the Workforce Innovation and Opportunity Act (WIOA) reauthorization bill, legislation to reauthorize workforce and adult education programs announced by a bipartisan group of Senate and House of Representatives members on May 21, 2014. On July 9, 2014 the U.S. House voted to pass the bill to President Obama for signature. The act will replace the Workforce Investment Act (WIA) of 1998, which has been up for reauthorization since 2003.

The U.S. Senate used legislation introduced and passed by the full U.S. House of Representatives in the form of H.R. 803, referred to as the Supporting Knowledge and Investing in Lifelong Skills Act (SKILLS Act), as the vehicle for pushing the legislation through the upper chamber. After passing through the Senate with broad bipartisan support, a 95–3 vote in June, it passed the House by a vote of 415–6 on July 9 as mentioned. The president has signaled his intention to sign the bill. It is expected that he will sign WIOA into law in the near future.

The National Governors Association supported the legislation as it is and provided the following points on the legislation as it stands.

WIOA will reaffirm the governors' 15 percent set-aside, eliminate 15 existing programs, apply a set of common accountability metrics measuring all federal workforce programs, reduce the number of required members on most state workforce investment boards, and provide greater clarity for coordination activities between the workforce system and education and economic development systems.

Highlights

- State Workforce Investment Boards shall be renamed State Workforce Development Boards
- Governors continue to hold full appointment authority to state workforce boards.
- Business leaders shall continue to make up a simple majority of state workforce boards.
- The required membership of the state workforce board is reduced by no longer requiring, but allowing, certain local partners to be appointed by the governor as members.
- Twenty percent of the state workforce board must represent the workforce, including labor organizations, and the balance of the board must include state government officials responsible for core programs.
- States may continue to use grandfathered workforce boards established before the enactment of WIA in 1998.

Performance Measures

- State performance accountability measures have been redesigned to streamline 100 varying and incomparable performance measures into a series of core measures that include common measures developed by the National Governors Association and the National Association of State Workforce Agencies.

- The U.S. secretaries of education and labor are directed to work with states, businesses, educators, and labor to create an additional measure to determine the effectiveness of state and local funds in providing services to employers.
- The Department of Labor is authorized to sanction states for failing to meet performance measures. Sanctions may include a reduction in the governors' 15 percent set-aside.

State Plan

- The submission of state plans will be streamlined into a unified state plan covering all core programs to allow states to provide a more comprehensive strategic and operational plan.
- States may also allow additional federal workforce development-related programs (Perkins, Community Service Block Grant, etc.) to participate in and submit plans through the unified state plan submission process.
- Governors will designate state agencies to coordinate submission of a unified plan.

Employment and Training Services

- Governors may reimburse employers for up to 75 percent of the wage rate for employees participating in on-the-job training.
- States are required to disseminate a list of eligible providers of nontraditional training services and apprenticeship programs.
- State workforce boards are required to prioritize the development and expansion of sector strategies or partnerships in local and regional areas.

State Legislative Update

The 83rd Texas Legislature Interim Charges

The following interim charges are a guide to standing committees in the Texas House and Senate. They are issued by the speaker of the House and the lieutenant governor, respectively. Charges are quoted verbatim. Committee action is in italics.

This legislative update includes only the charges that fit within the purview of the Texas Workforce Investment Council and the committees it oversees.



Texas Senate Charges

Higher Education

Review and evaluate the success of *Closing the Gaps by 2015*, the strategic plan for higher education adopted in 2000. Coordinate with the Texas Higher Education Coordinating Board on the next set of long-term goals and monitor their progress.

Monitor the implementation of SB 1244 (2011) and make recommendations for any legislation needed to improve or complete legislation relating to developmental education and the assessment of student readiness under the Texas Success Initiative and to students enrolled in developmental education at public institutions of higher education.

Monitor the implementation of SB 414 and make recommendations for any legislation needed to improve or

complete legislation relating to a study and report regarding authorizing certain public junior colleges to offer baccalaureate degree programs to address regional workforce needs.

Committee Action

On April 15, 2014, testimony was heard from a number of witnesses on the progress made toward the strategic plan. Recommendations included developing incentives to increase Hispanic enrollment, increase STEM majors, and find ways to decrease student reliance on loans.

Economic Development

Study and make recommendations to develop a biennial state review process for economic development programs to determine their effectiveness in keeping Texas economically competitive while ensuring taxpayer dollars are used wisely. As part of this study, the committee should review processes used in other states related to the analysis and reporting requirements for economic development programs.

Veteran Affairs and Military Installations

Monitor the implementation of the veteran occupational licensure bills passed during the 83rd Legislature to expedite the licensure process for those who are serving, have served, or are married to someone serving our nation in uniform. Study and make recommendations to strengthen and improve state efforts to ease the transition of military veterans and their spouses into the Texas civilian workforce.

Monitor and examine efforts to provide employment and workforce opportunities for veterans, service members, and their families. Make recommendations on how best to

continue collaborating and supporting veterans as they enter the civilian workforce including how to improve employment opportunities for veterans at all state agencies.

Committee Action

On April 15, 2014, the committee heard testimony on work done in the public and private sectors to ease employment challenges that confront veterans and their families as they transition to civilian life. Specific testimony was presented on SB 162 which requires an expedited approval process for occupational licenses for military veterans and their spouses recently separated from service who hold comparable licenses or skills from another jurisdiction.

Health and Human Services

Evaluate the Temporary Assistance for Needy Families (TANF) program structure. Recommend ways to improve program operations and ensure the program achieves outcomes that allow TANF recipients to find employment and achieve self-sufficiency. Recommendations should ensure Texas is using the most effective work-related requirements and drug-testing protocols.

Agriculture and Rural Affairs

Examine the role of state and local governments regarding disaster recovery operations. Study and make recommendations to identify essential personnel and resources needed to increase existing response capabilities.

Economic Development

Study current legislative and regulatory barriers that could impede capital investment, growth, and expansion of Texas businesses.

Make recommendations for reducing barriers to entry for progressions

regulated by Texas Department of Licensing and Regulation, including deregulation, additional reciprocity, and credit for military service.



Texas House Charges

Appropriations

Conduct a basic review of current public education and higher education funding formulas. Focus the review on whether items funded outside of base formulas, such as Foundation School Program and higher education formulas, should be included in the formulas. After the review, the committee may recommend the addition or deletion of funding items or changes in levels of current funding.

Corrections

Study and review the correctional facilities and processes within Texas Department of Criminal Justice, Texas Board of Pardons and Paroles, and Texas Juvenile Justice Department with emphasis on efficiencies, effectiveness, and recidivism. Examine existing programmatic approaches per facility in the areas of vocation, education, and reentry initiatives. Evaluate opportunities for partnerships between facilities and private industries to offer education, job training, and potential employment for offenders during incarceration, parole, and final release.

Committee Action

On May 29, 2014, the committee heard from the Windham School

District's superintendent. Windham is a non-geographical school district that provides educational services to offenders in the custody of the Texas Department of Criminal Justice. The superintendent reported specifically on Windham's literacy program that is designed to help participants attain a GED. The committee also heard about the district's vocational career and technology program, which has advanced the education of 46,000 offender participants. Offenders must be at least two years from release to participate in the program. The district also offers 34 vocational programs developed from various workforce board recommendations, including: machining, restaurant management, and tourism, among others. Seventy-three percent of those who participated in the program were employed in at least one vocational area in which training was provided. Feedback regarding employees that come out of Windham training programs has been promising.

County Affairs

Examine population growth in Texas counties and the impact the growth has had on housing, available land resources, and businesses in Texas, as well as the impact the growth has had on the state's economy. Evaluate Texas' preparedness to respond to future growth and ensure economic stability.

Committee Action

On March 10, 2014, the committee held a field hearing in East Texas and heard from regional representatives from various businesses and local governments to discuss the charge.

Testimony focused on explaining to members that this region's experience is contrary to what is happening in the major metropolitan areas in Texas. The region is not experiencing the same economic boom; however, it is also not

suffering from water shortages found in most of the state.

Defense and Veterans Affairs

Study methods to ensure returning veterans have access to necessary transition assistance, job training, education, and sustainable employment, including monitoring federal actions and coordinating state and private programs. Specifically, explore options for alternative certification programs that give returning military service men and women credit for skills learned and time served while on active duty. Track related legislation passed during the 83rd Legislature.

Evaluate current resources at higher education institutions, state agencies, and community-based organizations that provide support for military veteran students. Review the current process for assessing and placing these students in appropriate course work so that they are successful. Determine if new funding sources are needed at community colleges to educate or train military veterans who might need developmental education or adult basic education (ABE). Recommend strategies for effectively supporting military veteran students in their academic and workforce goals. *(Joint charge with the House Committee on Urban Affairs.)*

Economic and Small Business

Examine and evaluate economic development incentives to determine if the incentives are achieving the desired outcomes for which the incentives were initially established. Review economic development goals and incentives and report on methods to improve the most important goals and incentives and to reduce incentives that do not meet desired objectives.

Review the Governor's Office of Economic Development and Tourism

and determine its effectiveness on economic development in Texas. Determine how the office could be more efficiently coordinated with local and regional economic development entities and other state agencies to help further the economic development goals of the state.

Review the Texas Industry Cluster Initiative to determine if the targeted industry clusters need to be updated to reflect changes in the industry sectors that have evolved in Texas since the clusters were initially identified.

Monitor manufacturing and manufacturing workforce development initiatives passed by the 83rd Legislature.

Review the statutes and state agency rules pertaining to public-private partnerships to ensure a fair, competitive, and transparent process that benefits all parties engaging in the partnership. Review ways that other states and countries utilize public-private partnerships and recommend how to improve the process in Texas, specifically considering whether a single state entity can be responsible for administering the partnership program.

Committee Action

On April 24, 2014, the committee heard from a number of witnesses, including representatives from the Office of the Governor, Economic Development and Tourism and the Emerging Technology Fund. Witnesses reported that Texas is falling short of other southern states that invest more state funds with less red tape to attract more business to the state.

On April 10, 2014, the committee also held a hearing on the Texas public-private partnerships law and

heard from several witnesses that the law is falling short of its goal to contribute to the state's economy. One suggested solution included the creation of a center of excellence, citing Canada's model as a successful example.

website was responsible for filling more than two million jobs and is a regular resource for employers throughout the state.



Energy Resources

Study the impact of expanding oil and gas exploration and production occurring across the state. The study should include both the positive impacts of the exploration and production as well as the new challenges that these activities present.

Government Efficiency and Reform

Study the feasibility of having all state agencies use the Texas Workforce Commission's Work in Texas website for a more standardized job application process. Determine the interest of municipal, county, and other jurisdictions in boosting their utilization of the website.

Committee Action

On May 21, 2014, the committee heard from the Texas Workforce Commission that the Work in Texas

Higher Education

Study strategies other than seat time for funding general academic institutions to accelerate educational innovation and increase focus on improving student learning and success. Consider approaches that encourage new and more productive business models that incorporate affordable, lower-cost academic delivery models and expand the state's capacity to deliver high-quality education.

Study how state resources might be better used to support the success of the rapidly growing numbers of state residents who need postsecondary degrees. Evaluate current programs and policies related to financial aid, tuition assistance, waivers, and work study; and evaluate their relative impact and return on investment with regard to student enrollment, persistence, and completion. Consider how state dollars might be better used

in combination with federal financial aid to promote and accelerate student success.

Former foster youth have the benefit of free tuition and fees if they enroll in higher education, yet very few take advantage of this opportunity. Consider new strategies to support these youth and make recommendations to increase enrollment and retention rates of foster youth in higher education. *(Joint charge with the House Committee on Human Services)*

Human Services

Former foster youth have the benefit of free tuition and fees if they enroll in higher education, yet very few take advantage of this opportunity. Consider new strategies to support these youth and make recommendations to increase enrollment and retention rates of foster youth in higher education. *(Joint charge with the House Committee on Higher Education)*

Land and Resource Management

Examine population growth in Texas cities and the impact the growth has had on housing, available land resources, city centers, businesses, and the state's economy. Evaluate Texas' preparedness to respond to future growth and ensure economic stability.

Licensing and Administrative Procedures

Study appropriate methods of expanding the right of individuals to challenge occupational licensing rules and regulations; identify occupational licenses that may not be necessary for public safety or health.

Public Education

Monitor the implementation of HB 5 (83R) and report on recommendations for improvement. Work with the Texas Education Agency, the State Board of Education, and public and higher education stakeholders to ensure the creation of additional rigorous mathematics and science courses needed to address the current and projected needs of the state's workforce.

Committee Action

On March 26, 2014, the committee heard extensive testimony about the status of implementation and programs being offered in the local school districts as a result of HB 5. The second hearing is tentatively set for October and will solicit issues and recommendations with regard to HB 5 and opportunities that further address the needs of the state's education and workforce system.



Technology

Evaluate Texas' competitiveness with other states in recruiting and cultivating the software industry (including entertainment software), fostering economic development, and creating potential new jobs. Examine current incentives and regulations to determine whether these assist or hinder the expansion of the entertainment software industry in Texas.

Committee Action

On February 28, 2014, the committee heard from a number of software development companies and film industry representatives about incentives and opportunities in other states and that Texas was falling behind its competitors.

Urban Affairs

Examine the recommendations contained in the report by the Texas Coordinating Council for Veterans Services, study whether these recommendations have been implemented, and examine new methods of helping homeless veterans using state, regional, and local resources. *(Joint charge with the House Committee on Defense and Veterans Affairs.)*

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