

BILL ANALYSIS

Senate Research Center
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C.S.S.B. 756
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Higher Education
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Committee Report (Substituted)

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

In 2009, the 81st Legislature created the Jobs and Education for Texans (JET) Grant Program to address the growing underinvestment in the Texas workforce for jobs that require more than a high school diploma, but less than a four-year degree. Originally, to counter these shortages, the program provided grants to public junior colleges, public technical institutes, and eligible nonprofits. Nonprofits were awarded grants to support and expand programs preparing low-income students for training in high-demand occupations. In 2013, the 83rd Legislature under H.B. 437 eliminated eligible nonprofits from consideration to receive grants authorized by the JET Grant Program.

S.B. 756 reinstates eligible nonprofit organizations to list of entities eligible for grants under the JET Grant Program. The Texas Workforce Commission (TWC) may award grants to a nonprofit to develop, support, or expand programs that (1) meet the statutory requirements for eligibility and (2) prepare low-income students for careers in high-demand occupations in a manner that takes a balanced geographical distribution into consideration. To be eligible for a grant, a nonprofit organization must:

- (1) provide a program to offer assistance to low-income students in preparing for, applying to, and enrolling in a public junior college or public technical institute;
- (2) be governed by a board or other governing structure that has recognized leaders of broad-based community organizations and members of the local business community;
- (3) provide matching funds in accordance with rules adopted by TWC from any source available to the nonprofit; and
- (4) demonstrate satisfactorily that the organization's applicable programs have achieved or will achieve the following measures of success among program participants:
 - o above-average completion of developmental education among public junior college students;
 - o above-average persistence rates among public junior college students;
 - o above-average certificate or degree completion rates within a three-year period among first-time demographically comparable public junior college students; and
 - o employment of participating students at an average full-time starting wage that is equal to or greater than the prevailing wage for the occupation entered.

COMMITTEE SUBSTITUTE:

C.S.S.B. 756 amends Section 134.003 by adding two new members to the advisory board to represent the Texas Education Agency and the nonprofits respectively. [See Section 134.003(b)(5)-(6).] The nonprofit representative must provide or have experience in preparing low-income students for careers in high-demand occupations in Texas. TWC must appoint the nonprofit representative by publishing a request for applications to develop a pool of qualified individuals for TWC to consider and select.

C.S.S.B. 756 amends current law relating to the administration of the Jobs and Education for Texans (JET) Grant program.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 134.001, Education Code, by adding Subdivision (1-a) to define "nonprofit organization" as an organization exempt from federal income taxation under Section 501(a), Internal Revenue Code of 1986, as an organization described by Section 501(c)(3) of that code.

SECTION 2. Amends Section 134.003, Education Code, by amending Subsection (b) and adding Subsection (b-1), as follows:

(b) Provides that the advisory board is composed of eight, rather than six, members who serve two-year terms and are appointed as follows:

(1)–(4) makes no changes to these subdivisions;

(5) one member appointed by the commissioner of education;

(6) two members, rather than one member, appointed by the Texas Workforce Commission (TWC), one of whom is required to represent a nonprofit organization located in this state that provides, or has experience in providing, training services that prepare low-income students for careers in high-demand occupations; and

(7) creates Subdivision (6) from existing text, redesignates existing Subdivision (6) as Subdivision (7), and makes no further changes.

(b-1) Requires TWC, before appointing the members described by Subsection (b)(6), to publish a request for applications and to consider appointing qualified individuals from among the resulting applicant pool.

SECTION 3. Amends Section 134.004, Government Code, as follows:

Sec. 134.004. JOBS AND EDUCATION FOR TEXANS (JET) GRANT PROGRAM. (a) Requires TWC to establish and administer the Jobs and Education for Texans (JET) Grant Program to provide grants to public junior colleges, public technical institutes, public state colleges, eligible nonprofit organizations, and independent school districts described by Section 134.007 (Grants Awarded to Independent School District), rather than public junior colleges, public technical institutes, public state colleges, and independent school districts described under Section 134.007, that apply to the advisory board in the manner prescribed by the advisory board.

(b) Authorizes grants to be awarded under this chapter (Jobs and Education for Texans (JET) Grant Program) from the Jobs and Education for Texans (JET) fund for the following purposes:

(1) to develop, support, or expand programs of nonprofit organizations that meet the requirements of Section 134.005 and that prepare low-income students for careers in high-demand occupations; and

(2) creates this subdivision from existing text and makes no further changes to this subdivision.

SECTION 4. Amends Chapter 134, Education Code, by adding Section 134.005, as follows:

Sec. 134.005. GRANTS TO NONPROFIT ORGANIZATIONS FOR INNOVATIVE AND SUCCESSFUL PROGRAMS. (a) Authorizes TWC to award a grant to a nonprofit organization eligible under Subsection (b) for the development, support, or expansion of programs to prepare low-income students for careers in high-demand occupations.

(b) Requires a nonprofit organization, to be able to receive a grant under this section, to:

(1) provide a program to offer assistance to low-income students in preparing for, applying to, and enrolling in a public junior college or public technical institute;

(2) be governed by a board or other governing structure that includes recognized leaders of broad-based community organizations and members of the local business community;

(3) demonstrate to the satisfaction of the advisory board that the organization's program has achieved or will achieve the following measures of success among program participants to the extent applicable to the type of program the organization provides:

(A) above-average completion of developmental education among participating junior college or public technical institute students;

(B) above-average persistence rates among participating junior college or public technical institute students;

(C) above-average certification or degree completion rates by participating students within a three-year period compared to demographically comparable public junior college and public technical institute students; and

(D) employment of participating students at an average full-time starting wage that is equal to or greater than the prevailing wage for the occupation entered; and

(4) provide matching funds in accordance with rules adopted under Section 134.008 (Rules).

(c) Authorizes the matching funds required under Subsection (b)(4) to be obtained from any source available to the nonprofit organization, including in-kind contributions, community or foundation grants, individual contributions, and local governmental agency operating funds.

(d) Requires grants awarded under this section to be awarded in a manner that takes a balanced geographical distribution into consideration.

SECTION 5. Effective date: September 1, 2019.