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CHAPTER 302. DIVISION OF WORKFORCE DEVELOPMENT

Subchapter A. General Provisions

Sec. 302.001. Definitions

In this chapter:

- (1) **"Career education and training program"** has the meaning assigned by Section 2308A.001, Government Code.
- (1-a) **"Director"** means the director of the division.
- (2) **"Division"** means the division of workforce development of the commission.
- (3) **"Nonrecipient parent"** has the meaning assigned by Section 31.0021, Human Resources Code.

Sec. 302.002. General Workforce Development Powers and Duties of Commission and Executive Director

- (a) The executive director shall:
 - (1) to the extent feasible under federal law, consolidate the administrative and programmatic functions of the programs under the authority of the commission to achieve efficient and effective delivery of services;
 - (2) administer each program and implement corresponding federal and state legislation consolidated under the authority of the commission under this chapter and other applicable state law;
 - (3) determine the organization and methods of procedure of the division in accordance with applicable state and federal legislation;
 - (4) appoint and prescribe the duties of all officers, administrators, accountants, attorneys, experts, and other employees as necessary in the performance of the division's duties;
 - (5) delegate authority to persons appointed under this section as the executive director considers reasonable and proper for the effective administration of the division;
 - (6) bond any person who handles money or signs checks for the division;
 - (7) implement workforce training and services policies and programs, consistent with recommendations from the council and as approved by the governor;

- (8) serve as an advocate at the state and federal levels for local workforce development boards;
 - (9) contract with local workforce development boards for program planning and service delivery;
 - (10) provide training and professional development services for division staff, local workforce development boards, and the staff of those boards;
 - (11) support research and demonstration projects designed to develop new programs and approaches to service delivery;
 - (12) provide technical assistance and support to local workforce development boards;
 - (13) prepare an annual agency performance report for submission to the governor, the legislature, the commission, and the council;
 - (14) design and administer a statewide comprehensive labor market information system;
 - (15) serve as the chair of the State Occupational Information Coordinating Committee; and
 - (16) perform other functions and duties as may be required by law or assigned by the commission.
- (b) The executive director may make expenditures, enter into contracts with public, private, and nonprofit organizations, require reports, conduct investigations, and take other action the executive director or commission considers necessary or suitable to fulfill the division's administrative duties.
- (c) The executive director may enter interagency contracts and memoranda of understanding with other state agencies for the performance of administrative functions of the agency.
- (d) The commission shall adopt rules in accordance with Chapter 2001, Government Code, as necessary for the proper administration of the division.
- (e) The executive director may obligate funds from the skills development fund in a manner consistent with the rules adopted by the commission for that program. The executive director shall report to the governor, the legislature, the commission, and the council on a quarterly basis regarding actions taken under this subsection.
- (f) In addition to the services provided under Subsection (a)(12), the executive director may enter into contracts with local workforce development boards or other entities to establish service level agreements for technology assistance and support. The executive director may charge fees for services based on the service level options selected by those entities. All fees collected

under this subsection may be used only by the commission to pay costs incurred in providing those services.

Sec. 302.0025. Employment Plan and Postemployment Strategies

- (a) The commission shall ensure that an individual employment plan developed for a recipient of financial assistance or a nonrecipient parent participating in an employment program under Chapter 31, Human Resources Code, includes specific postemployment strategies to assist the recipient or the nonrecipient parent in making a transition to stable employment at a wage that enables the person and the person's family to maintain self-sufficiency.
- (b) The individual employment plan must:
 - (1) consider the person's individual circumstances and needs in determining the person's initial job placement;
 - (2) identify a target wage that enables the person and the person's family to maintain self-sufficiency;
 - (3) provide specific postemployment goals and include methods and time frames by which the person is to achieve those goals; and
 - (4) refer the person to additional educational and training opportunities.

Sec. 302.0026. Employment Services Referral Program

- (a) The commission and local workforce development boards shall develop an employment services referral program for recipients of financial assistance and nonrecipient parents who participate in employment programs under Chapter 31, Human Resources Code, and have, in comparison to other recipients or nonrecipient parents, higher levels of barriers to employment. The referral program must be designed to provide to a recipient or a nonrecipient parent referrals to preemployment and postemployment services offered by community-based organizations.
- (a) In developing the referral program, the commission and local workforce development boards shall, subject to the availability of funds, coordinate partnerships and contract with community-based organizations that provide employment services specifically for persons with high levels of barriers to employment.

Sec. 302.0027. Financial Literacy Training

- (a) The commission and local workforce development boards shall ensure that each workforce development program offered in this state includes training in financial literacy.

- (b) The division shall develop materials and information to be included in the training required by Subsection (a).
- (b) The commission may accept a donation of services, money, or property that the commission determines furthers the financial literacy training program. The donation must be accepted in an open meeting by a majority of the voting members of the commission and must be reported in the public records of the commission along with the name of the donor and the purpose of the donation.

Sec. 302.003. Job Retention and Reemployment Assistance

The division may provide ongoing job retention and reemployment assistance for a recipient of public assistance or nonrecipient parent who has participated in a job training program.

Sec. 302.0031. College Credit for Heroes Program

- (a) In this section:
 - (1) "Career school or college" has the meaning assigned by Section 132.001, Education Code.
 - (2) "Institution of higher education" has the meaning assigned by Section 61.003, Education Code.
- (b) The commission shall establish and administer the College Credit for Heroes program to identify, develop, and support methods to maximize academic or workforce education credit awarded by institutions of higher education to veterans and military servicemembers for military experience, education, and training obtained during military service in order to expedite the entry of veterans and military servicemembers into the workforce.
- (c) The commission shall work cooperatively with other state agencies, including the Texas Higher Education Coordinating Board, public junior colleges, and other institutions of higher education, to accomplish the purposes of this section.
- (d) The commission may award grants to state, local, or private entities that perform activities related to the purposes of this section.
- (e) The commission shall administer the program using money previously appropriated to the commission or received from federal or other sources.
- (f) The commission may adopt rules as necessary for the administration of this section.
- (g) The commission, after consultation with the Texas Higher Education Coordinating Board, shall include in the commission's supplemental annual report to the legislature and the governor under Section 301.065(c):

- (1) the results of any grants awarded under this section;
 - (2) the best practices for veterans and military servicemembers to achieve maximum academic or workforce education credit at institutions of higher education for military experience, education, and training obtained during military service;
 - (3) measures needed to facilitate the award of academic or workforce education credit by institutions of higher education for military experience, education, and training obtained during military service;
 - (4) other related measures needed to facilitate the entry of trained, qualified veterans and military servicemembers into the workforce;
 - (5) the number of academic or workforce education semester credit hours awarded under the program and applied toward a degree or certification program at an institution of higher education during the most recent academic year, disaggregated by the subject area for which the credit hours are awarded; and
 - (6) the number of transfer credit hours awarded under the program and applied toward a degree or certification program at an institution of higher education during the most recent academic year.
- (h) For purposes of Section 33.007(b)(11), Education Code, the commission, in cooperation with the Texas Higher Education Coordinating Board, shall develop and annually make available to each school district and each open-enrollment charter school that offers a high school program informational materials regarding the availability of college credit awarded by institutions of higher education to veterans and military servicemembers for military experience, education, and training obtained during military service, including information regarding the program under this section.
- (i) Under the program, the commission shall identify, develop, and support methods to facilitate the award of course time credit by career schools or colleges or other private or nonprofit entities providing programs of study or courses of instruction leading to industry certifications or other workforce credentials to veterans and military servicemembers for military experience, education, or training obtained during military service for programs of study or courses of instruction offered by those schools, colleges, or other entities for which skills obtained through military experience, education, and training align.

Sec. 302.0032. Texas Fast Start Program

- (a) In this section:
- (1) "Fast start program" means a career and technical education program designed to help students earn postsecondary certificates and degrees and enter into the workforce quickly.

- (2) "Public junior college," "public state college," and "public technical institute" have the meanings assigned by Section 61.003, Education Code.
- (b) The commission, in partnership with the Texas Higher Education Coordinating Board, shall establish and administer the Texas Fast Start Program to identify and develop methods to support, and shall provide support for, competency-based, rapid-deployment education delivery models for use by public junior colleges, public state colleges, and public technical institutes. The models must be designed to assist students in maximizing academic or workforce education program credit from public junior colleges, public state colleges, and public technical institutes to expedite the entry of those students into the workforce.
- (c) The commission shall work collaboratively with the Texas Higher Education Coordinating Board, public junior colleges, public state colleges, and public technical institutes to accomplish the purposes of this section.
- (d) A public junior college, public state college, or public technical institute may use the competency-based, rapid-deployment education delivery models described by Subsection (b) in developing or expanding a fast start program at the college or institute.
- (e) A fast start program offered by a public junior college, public state college, or public technical institute must:
 - (1) focus on the current and future needs of employers in this state;
 - (2) enable students to obtain postsecondary certificates and degrees at an accelerated pace in high-demand fields or occupations, as identified by local employers;
 - (3) incorporate competency-based learning techniques;
 - (4) feature a variety of access channels that are uniquely designed to maximize job preparedness for identified groups such as veterans, high school graduates, and current workforce members seeking retraining; and
 - (5) be designed for rapid deployment statewide.
- (f) Through the collaboration, the commission may award grants to public junior colleges, public state colleges, and public technical institutes for:
 - (1) the expansion of existing fast start programs;
 - (2) the development of new fast start programs; and
 - (3) any other activities related to the purposes of this section.
- (g) A grant received under this section may be used only to:

- (1) support a course or program that prepares students for career employment in fields or occupations that are identified as high-demand by local employers;
 - (2) finance the initial costs of developing a fast start program, including the costs of constructing or renovating facilities, purchasing equipment, and other associated expenses;
 - (3) finance the development or expansion of a fast start program leading to a postsecondary certificate or degree; or
 - (4) offer a new or expanded dual credit fast start program jointly with a public high school.
- (h) The commission and the Texas Higher Education Coordinating Board shall administer the program using money appropriated to the commission or board, money received from federal or other sources, or money from holding accounts that may be used by the commission for the purpose of skills development.
 - (i) The commission and the Texas Higher Education Coordinating Board may adopt rules as necessary for the administration of this section.

Sec. 302.0033. Operation Welcome Home Program

- (a) The commission shall establish and administer the Operation Welcome Home program to expedite the entry of veterans and military service members into the workforce through the use of enhanced employment services. In establishing the program, the commission shall build partnerships between military transition centers and local workforce development boards to ensure the availability of employment services, including services related to:
 - (1) education;
 - (2) career technical training; and
 - (3) entrepreneurship.
- (b) The commission may award grants to state, local, or private entities that perform activities related to the purposes of this section.
- (c) The commission shall administer the program using money previously appropriated to the commission or received from federal or other sources.
- (d) The commission may adopt rules as necessary for the administration of this section.

Sec. 302.00335. Texas Veterans Leadership Program

- (a) The commission, in consultation with the Texas Veterans Commission, shall establish a Texas Veterans Leadership Program.

- (b) The mission of the program is to serve as a resource and referral network connecting veterans with the resources and tools they need to lead productive lives and enjoy the full benefits of the society they have willingly served.
- (c) The program shall collaborate with local workforce development boards to provide services to veterans under this section. The program may collaborate with other federal, state, county, municipal, and private agencies to provide services to veterans under this section.
- (d) The program shall employ veterans to serve as veteran resource and referral specialists. A veteran resource and referral specialist shall:
 - (1) seek out veterans in need of services;
 - (2) serve as a resource and referral agent, directing veterans to resources tailored to veterans' needs;
 - (3) make referrals and coordinate with other programs of the commission, the Texas Veterans Commission, and other federal, state, county, municipal, and private agencies that provide services for veterans relating to:
 - (A) employment;
 - (B) education and training;
 - (C) medical care;
 - (D) mental health and counseling; and
 - (E) veterans benefits; and
 - (4) coordinate the services of volunteer veterans familiar with the obstacles faced by veterans to assist in mentoring and serving veterans.

Sec. 302.0034. Employment Assistance Program for Certain Families of Military Personnel

- (a) The commission shall provide employment assistance services, including job placement and other employment-related services, to the spouses and dependents of military personnel who are assigned to duty in this state.
- (b) The commission shall provide the services described by Subsection (a) in cooperation with the local workforce development boards in areas of the state having a defense community, as that term is defined by Section 481.501, Government Code.
- (c) The commission may accept and apply for gifts, grants, donations, and appropriations from public and private sources to fund the commission's duties under this section. The commission

may use money from job training funds and other money appropriated by the legislature to implement the requirements of this section.

Sec. 302.00341. Grants to Facilitate Participation in Apprenticeship Training Programs by Certain Veterans and Military Personnel

- (a) In this section:
 - (1) "Apprenticeship training program" has the meaning assigned by Section 133.001, Education Code.
 - (2) "Nonprofit organization" means 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.
- (b) The commission shall develop and administer a program under which the commission may award grants to one or more nonprofit organizations that facilitate the participation in apprenticeship training programs of veterans and active duty military service members who are transitioning into civilian employment.
- (c) A grant awarded under this section may be used only to recruit or assist veterans or active duty military service members who are transitioning into civilian employment to participate in an apprenticeship training program in this state.
- (d) The commission shall adopt rules for the administration of this section, including rules for verifying that state funds awarded to a nonprofit organization under this section are being used appropriately.

Sec. 302.0035. Employment Assistance Program for Certain Parents

The commission shall provide employment assistance services, including skills training, job placement, and employment-related services, to a person referred to the commission by:

- (1) the Title IV-D agency under Chapter 231, Family Code; or
- (2) a court under Section 157.211, Family Code.

Sec. 302.0036. Transportation Assistance

- (a) To the extent funds are available, the commission and local workforce development boards shall provide transportation assistance to recipients of financial assistance and nonrecipient parents participating in employment programs under Chapter 31, Human Resources Code, that enables the recipients and nonrecipient parents to maintain a stable work history and attain financial stability and self-sufficiency.

- (b) The commission and local workforce development boards may provide the assistance described by Subsection (a) by implementing new initiatives or expanding existing initiatives that provide transportation assistance to recipients of financial assistance or nonrecipient parents for whom transportation is a barrier to employment.

Sec. 302.0037. Maximizing Federal Funds for Transportation Assistance

- (a) The commission and local workforce development boards shall maximize the state's receipt of federal funds available to provide transportation assistance to recipients of financial assistance and nonrecipient parents participating in employment programs under Chapter 31, Human Resources Code.
- (b) The commission and local workforce development boards may, within any applicable appropriation limits, take any action required by federal law to receive federal funds to provide transportation assistance.

Sec. 302.0038. Housing Resources for Certain Recipients of Financial Assistance and Certain Nonrecipient Parents

- (a) The commission, in cooperation with local workforce development boards, shall, for a recipient of financial assistance or nonrecipient parents participating in an employment program under Chapter 31, Human Resources Code:
 - (1) identify unmet housing needs and assess whether those needs are barriers to the person's full participation in the workforce and attainment of financial stability and self-sufficiency; and
 - (2) develop a service plan that takes into consideration the person's unmet housing needs.
- (b) The commission by rule shall develop and implement a program through which a recipient or a nonrecipient parent identified under Subsection (a) as having unmet housing needs is referred by the commission or local workforce development board to agencies and organizations providing housing programs and services and connected to other housing resources. To provide those referrals and connections, the commission shall establish collaborative partnerships between:
 - (1) the commission;
 - (2) local workforce development boards;
 - (3) municipal, county, and regional housing authorities; and
 - (4) sponsors of local housing programs and services.

- (c) The commission shall ensure that commission and local workforce development board staff members receive training regarding the programs and services offered by agencies and organizations with which the commission establishes partnerships under Subsection (b) and other available housing resources.

Sec. 302.004. Funds for Job Training, Employment Services, Adult Education and Literacy Activities, and Child Care

In providing job training, employment services, adult education and literacy services, and child care to eligible persons, the commission, notwithstanding the provisions in this chapter or other law, may establish a need-based formula to allocate funds available under the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (Pub. L. No. 104-193) and the Workforce Investment Act of 1998 (29 U.S.C. Section 2801 et seq.) for job training, employment services, adult education and literacy activities, and child care to local workforce development areas so as to:

- (1) ensure compliance with federal participation rates and requirements and full utilization of the funding; and
- (2) achieve integrated education training.

Sec. 302.0041. Child-Care Demonstration Project Grants

- (a) The commission may make grants available on a one-time basis to local workforce development boards to enable the boards to design and implement child-care demonstration projects.
- (b) A local workforce development board that receives a grant under this section shall use the grant to design and implement a demonstration project that:
 - (1) expands child-care services in underserved rural local workforce development areas, including:
 - (A) home-based child-care services;
 - (B) child-care services at nontraditional times, including services that accommodate the child-care needs of parents who work shift-schedules, evenings, and weekends; or
 - (C) services to link child-care programs, prekindergarten programs under Subchapter E, Chapter 29, Education Code, and the federal Head Start program;
 - (2) creates or expands existing pilot programs, based on demonstration models from other states, that provide strategies for successfully recruiting and retaining child-care providers;

- (3) creates pilot programs designed to assist low-income, at-risk parents receiving child-care services provided by the commission for extended periods who may benefit from career counseling and employment location services that promote the potential for career advancement; or
 - (4) develops initiatives that foster school readiness in young children and encourage pre-reading and problem-solving skills in those children.
- (c) To be eligible for a grant under this section, a local workforce development board must:
 - (1) conduct the demonstration project for which the grant is made in a manner that allows replication of the project in whole or part by other local workforce development boards to address similar child-care service needs in underserved local workforce development areas; and
 - (2) use the grant to develop direct child-care services that, at the conclusion of the demonstration project, may be funded.
- (d) Child-care services that may continue to be funded under Subsection (c)(2) at the conclusion of the demonstration project may be funded through existing local workforce development board resources for child-care services or other local resources.

Sec. 302.0042. Evaluation of Allocation Formulas for Child Care Development Funds

- (a) The commission shall annually evaluate the formulas used by the commission to distribute federal child care development funds to local workforce development boards in order to ensure that the formulas address the child care needs of each local workforce development board.
- (b) The commission's evaluation must assess:
 - (1) the use of current federal child care funds by each local workforce development board;
 - (2) the ability of each local workforce development board to meet child care performance measures;
 - (3) the average cost of child care in each local workforce development area;
 - (4) the average monthly price charged by child care providers for full-day child care in each local workforce development area as stated in the market rate survey conducted under 45 C.F.R. Section 98.45(c);
 - (5) the average monthly price charged by quality child care providers for full-day child care in each local workforce development area;
 - (6) the poverty rate of each local workforce development area compared to the state's poverty rate;

- (7) the number of children on waiting lists for child care in each local workforce development area;
 - (8) the number of places that are reserved by each local workforce development board in contracts authorized under Section 302.0461 for participants in the child-care subsidy program out of the total number of children enrolled with a provider on a full-time basis categorized by age of the child for each provider in each local workforce development area that is certified as a 2-star, 3-star, or 4-star provider in the Texas Rising Star Program or that does not participate in the Texas Rising Star Program;
 - (9) the total number of child care providers participating in the Texas Rising Star Program in each local workforce development area and the number of 2-star, 3-star, and 4-star rated child care providers in the local workforce development area;
 - (10) the number of child care providers participating in the Texas Rising Star Program in each local workforce development area as a percentage of the total number of both subsidized child care providers and all child care providers in the local workforce development area;
 - (11) the number of 2-star, 3-star, and 4-star rated child care providers in the local workforce development area as a percentage of the total number of both subsidized child care providers and all child care providers in the local workforce development area;
 - (12) the total number of children enrolled in subsidized child care providers participating in the Texas Rising Star Program in each local workforce development area and the number of subsidized children enrolled in 2-star, 3-star, and 4-star rated child care providers in the local workforce development area;
 - (13) the number of subsidized children enrolled in child care providers participating in the Texas Rising Star Program in each local workforce development area as a percentage of the total number of subsidized children enrolled in child care providers in the local workforce development area and the number of subsidized children enrolled in 2-star, 3-star, and 4-star rated child care providers in the local workforce development area as a percentage of the total number of subsidized children enrolled in child care providers in the local workforce development area; and
 - (14) the number of 3-star and 4-star rated child care providers participating in partnerships with public school districts and public charter schools based on data provided by the Texas Education Agency, as necessary.
- (c) For the purposes of evaluation under this section, the commission shall annually update the information described by Subsections (b)(7)-(14).
 - (d) In this section, "quality child care provider" means a child care provider that:

- (1) participates in the commission's Texas Rising Star Program; or
- (2) is accredited by the National Early Childhood Program Accreditation Commission or the National Association for the Education of Young Children, or holds any other accreditation the commission determines meets the quality standards of the Texas Rising Star Program.

Sec. 302.0043. Evaluation of Effectiveness of Subsidized Child Care Program

- (a) To evaluate the effectiveness of the commission's child care program in helping parents who receive subsidized child care to maintain employment, the commission shall compile, regarding each parent receiving subsidized child care from the commission's child care program, the following information regarding the wage and employment status of the parent:
 - (1) if the parent receives both financial assistance under Chapter 31, Human Resources Code, and subsidized child care, whether the parent:
 - (A) finds employment; and
 - (B) maintains the parent's employment after one year;
 - (2) if the parent receives only subsidized child care, whether the parent:
 - (A) maintains the parent's employment; and
 - (B) experiences a change in the parent's earnings after one year of employment; and
 - (3) if the parent leaves the child care program:
 - (A) the parent's reason for leaving the program; and
 - (B) whether the parent returns to financial assistance under Chapter 31, Human Resources Code, or becomes a recipient of financial assistance under that chapter for the first time.
- (b) The commission may use the wage and employment records of the parents to determine the employment outcome of the parents.
- (c) The commission shall also measure and evaluate the effectiveness of the commission's child care program in:
 - (1) improving the training of child care professionals; and

- (2) facilitating collaboration with Head Start, the Texas Education Agency, the Department of Protective and Regulatory Services, and the Health and Human Services Commission.
- (c-1) The commission shall measure and evaluate the progress of the commission's child care program regarding:
 - (1) coordination by the commission with the Texas Education Agency to assign a Public Education Information Management System (PEIMS) number to children younger than six years of age enrolled in the commission's child care program;
 - (2) coordination with the Texas Education Agency, school districts, and open-enrollment charter schools on any prekindergarten quality improvement efforts;
 - (3) efforts to increase coordination between participating providers in the commission's child care program, school districts, and open-enrollment charter schools;
 - (4) facilitation of child care provider enrollment in the Texas Rising Star Program and progression of providers to the highest rating level in the program; and
 - (5) development and implementation of rates and payments, as determined by local workforce development boards, to:
 - (A) allow participating providers to provide high-quality child care; and
 - (B) ensure that the commission meets performance measures established by the legislature for the average number of children served by the commission's child-care program per day.
- (d) The commission shall periodically analyze the information collected by the commission under this section and shall compile its findings regarding the effectiveness of the commission's child care program.
- (e) The commission shall make the information collected by the commission and the commission's findings available to local workforce development boards, school districts, open-enrollment charter schools, and the public.
- (f) Not later than January 15 of each odd-numbered year, the commission shall report to the legislature regarding the commission's findings regarding the effectiveness of the commission's child care program. The report must:
 - (1) include employment outcome information, disaggregated by local workforce development area, regarding parents receiving subsidized care under the program;

- (2) identify multiyear trends in the information collected and analyzed by the commission under this section, including trends in the information for at least the five state fiscal years preceding the date of the report;
- (3) include information described by Sections 302.0042(b)(9)-(13);
- (4) include a summary of the input obtained under Section 302.00435; and
- (5) include any recommendations for legislation or regulation, including regulatory recommendations for governmental bodies other than the commission, regarding the input obtained under Section 302.00435.

Sec. 302.00435. Subsidized Child Care Program; Input Policy

- (a) The commission shall develop a policy for obtaining, through appropriate methods, input from interested parties regarding its subsidized child care program and for using that input in administering that program.
- (b) The policy developed under Subsection (a) must include methods for obtaining input from the Texas Education Agency, school districts, open-enrollment charter schools, subsidized child care providers, relevant businesses, and the public, regarding:
 - (1) improving coordination between the subsidized child care program and prekindergarten programs;
 - (2) increasing the quality of and access to the subsidized child care program;
 - (3) existing health and safety rules and regulations that could be more efficient or less costly without reducing health and safety outcomes; and
 - (4) the burdens relating to complying with existing regulations that could be mitigated, reduced, or eliminated while maintaining the intent, objective, or purpose of the underlying regulation.

Sec. 302.00436. Subsidized Child Care Program Information for Public Schools

Each local workforce development board shall inform the local school districts and open-enrollment charter schools in the workforce development area regarding opportunities to partner with child-care providers in the board's area to expand access to and provide facilities for prekindergarten programs.

Sec. 302.0044. Wage Tracking of TANF Choices Program Recipients

- (a) The commission in consultation with local workforce development boards, shall compile the following information with regard to each recipient of employment services under the Temporary Assistance for Needy Families (TANF) CHOICES program:
 - (1) whether the recipient is placed in employment paying wages equal to or exceeding 200 percent of the federal poverty level for a family that is the size of the recipient's family; and
 - (2) if the recipient is placed in employment earning wages equal to or exceeding the amount described by Subdivision (1), whether the recipient has earned that amount before the first anniversary of the date of the recipient's initial date of employment.
- (b) Not later than December 15 of each year, the commission shall report to the legislature the percentage of recipients of employment services under the Temporary Assistance for Needy Families (TANF) CHOICES program who meet the wage criteria described by Subsections (a)(1) and (2).

Sec. 302.0045. Quality Initiatives by Commission

- (a) The commission shall collect state and local information relating to the effectiveness of the use of four percent quality dollars by local workforce development boards. The commission shall produce a report that highlights promising practices in expanding quality early education.
- (b) In performing its duties under this section, the commission shall report to the legislature and other interested persons on local programs and services that show promise in expanding access to quality early education.

Sec. 302.0046. Notice Regarding Termination of Certain Child-Care Services

- (a) The commission shall direct each local workforce development board to notify a working poor subsidy recipient who resides in that board's local workforce development area and who receives child-care services from a child-care services program financed through state or federal funds of any termination of the subsidy for any reason other than involuntary termination resulting from the recipient's actions or failure to act.
- (b) Except as otherwise provided by this subsection, the local workforce development board shall provide the notice in writing to the recipient not later than the 30th day before the scheduled date of termination of the affected child-care services subsidy. The notice must include information regarding other child-care services programs under which the recipient may be eligible for services. If providing notice on or before the deadline specified by this subsection would interfere with the ability of the local workforce development board to comply with its duties regarding the number of children to be served or would require the expenditure of funds

in excess of the amount appropriated to the board, the board may provide the notice on the earliest date on which it is practicable for the board to provide notice.

Sec. 302.0047. Electronic Validation of Child-Care Services and Attendance

If feasible, the commission shall use an electronic validation system to ensure that parents verify that a provider of relative child care is providing care and that the child for whom the care is provided is in attendance during the period for which the child-care provider is being reimbursed for services.

Sec. 302.005. Child-Care Training Center Pilot Programs

- (a) The commission shall establish four pilot programs in which the division shall certify day-care facilities licensed under Chapter 42, Human Resources Code, as training centers that offer training and certification for recipients of public assistance in basic skills, child care, child-care vendor entrepreneurial training, and early childhood education. The commission shall determine the pilot sites, with at least one site in an urban area and at least one site in a rural area.
- (b) The commission shall cooperate with the Department of Protective and Regulatory Services in the adoption of rules under this section. The commission may not adopt a rule under this section that conflicts with a rule of the Department of Protective and Regulatory Services.
- (c) The commission shall award a contract to a child-care facility to act as a training center based on:
 - (1) the level of training of the facility's staff; and
 - (2) the history of the facility in delivering high-quality care.
- (d) The child-care subsidy for a person who participates in training through a pilot program and who qualifies for a subsidy for the person's child shall be paid directly to the facility. The facility may not count such a person in the facility's child-to-staff ratio.
- (e) A person who is a recipient of financial assistance under Chapter 31, Human Resources Code, may qualify to participate in training through a pilot program by applying to the commission and:
 - (1) providing proof of possession of a high school diploma or the equivalent or enrollment in a program leading to a high school diploma or the equivalent;
 - (2) demonstrating possession of general skills and competence, as determined by commission rule; and
 - (3) demonstrating, to the satisfaction of the commission, a long-term commitment to the early childhood care profession.

- (f) Funding for a person who participates in training through a pilot program shall be provided through a work supplement program for 12 months. The commission may provide additional funding for the person to participate in training through the pilot program for an additional 12 months.
- (g) The commission may also provide funding for a person who participates in training through a pilot program to:
 - (1) complete the person's Child Development Associate national credential, Certified Child-Care Professional Credential, or other child-care certification, as determined by the commission;
 - (2) participate in ongoing interactive training; and
 - (3) provide start-up grants and loans to establish the person's own child-care business.
- (h) A facility that provides training through a pilot program shall maintain a mentor relationship with each person who participates in training through the program at the facility. A person who participates in training at a facility may be required to participate in additional training programs after the date the person completes the pilot program.
- (i) The child of a person who participates in training through a pilot program is entitled to the same discounted rate for child-care services at the facility in which the person is participating in training that the facility offers to the facility's employees. The child-care subsidy provided for the person's child shall be paid to the facility in which the person is participating in training at the rate that the facility offers to the facility's employees. The money saved by the commission under this subsection may be used by the commission to administer the pilot program established under this section.
- (j) The commission shall adopt rules that establish eligibility criteria for a facility to participate in a pilot program and provide requirements for implementation of the pilot program.

(NOTE: S.B. 280, 78th Legislature, repealed (k).)

- (l) In this section, "**work supplement program**" means a program under which the state reserves all or part of the amounts that would be payable as benefits to welfare recipients and uses those amounts to provide and subsidize jobs for the recipients.

Sec. 302.0051. Prekindergarten Partnership Program

- (a) The commission shall establish and administer a prekindergarten partnership program to assist child-care providers who meet the definition of an eligible private provider under Section 29.171, Education Code, in partnering with local school districts and open-enrollment charter schools to provide the prekindergarten classes required under Section 29.153, Education Code.

- (b) Using existing funds, the commission shall coordinate with the Texas Education Agency to develop joint strategies to expand the availability of prekindergarten partnership programs.

Sec. 302.006. Professional Child-Care Training Scholarships, Bonuses, and Wage Supplementation

- (a) The commission may develop and administer a program under which the commission awards scholarships in the amount of \$1,000 each for professional child-care training to eligible recipients.
- (b) A recipient may use a scholarship awarded under this section only to pay expenses associated with obtaining:
 - (1) Child Development Associate (CDA) national credentials;
 - (2) Certified Child-Care Professional (CCP) credentials; or
 - (3) a level one certificate or associate's degree in the area of child development or early childhood education from a public or private institution of higher education.
- (c) To be eligible to receive a scholarship awarded under this section, a person must:
 - (1) be employed in a child-care facility, as defined by Section 42.002, Human Resources Code;
 - (2) intend to obtain a credential, certificate, or degree specified in Subsection (b);
 - (3) agree to work for at least 18 additional months in a child-care facility, as defined by Section 42.002, Human Resources Code, that accepts federal Child Care and Development Fund subsidies and that, at the time the person begins to fulfill the work requirement imposed by this subdivision, is located:
 - (A) within the attendance zone of a public school campus considered low-performing under Chapter 39A, Education Code; or
 - (B) in an economically disadvantaged community, as determined by the commission; and
 - (4) satisfy any other requirements adopted by the commission.
- (d) A person may not receive more than one scholarship awarded under this section.
- (e) In addition, the commission may provide for payment of a bonus or wage supplementation to a scholarship recipient who for 18 months after the date of receiving the scholarship provides care for children younger than six years of age while remaining in the employment of the child-care facility that employed the person when the scholarship was awarded and that meets the

requirements of Subsection (c)(3). Any bonus or wage supplementation provided under this subsection shall be paid in equal shares by the scholarship recipient's employer and the commission. The commission shall determine the amount of any bonus and the amount and duration of any wage supplementation provided under this subsection.

- (f) The commission shall fund scholarships and any bonuses or wage supplementation provided under this section through federal Child Care Development funds or other funding sources available to the commission. Total funding may not exceed \$2 million per state biennium.
- (g) The commission shall adopt rules necessary to implement this section. The rules must include provisions that:
 - (1) address the computation of the 18-month service requirement prescribed by Subsection (c); and
 - (2) ensure that the commission may recover scholarship money from a recipient who fails to comply with that service requirement or any other requirement imposed by the commission.

Sec. 302.0062. Strategic Plan to Support Child-Care Workforce

- (a) The commission shall prepare a strategic plan for improving the quality of the infant, toddler, preschool, and school-age child-care workforce in this state. The strategic plan must include:
 - (1) recommendations for local workforce development boards to improve, sustain, and support the child-care workforce;
 - (2) recommendations for increasing compensation for and reducing turnover of child-care workers;
 - (3) recommendations for eliminating pay disparities in the child-care workforce;
 - (4) recommendations for increasing paid opportunities for professional development and education for child-care workers, including apprenticeships;
 - (5) best practices from local workforce development boards in this state and other programs designed to support child-care workers;
 - (6) recommendations for increasing participation in the Texas Early Childhood Professional Development System;
 - (7) recommendations for public and private institutions of higher education to:
 - (A) increase the use of articulation agreements with school districts and open-enrollment charter schools; and

- (B) assist in the education and training of child-care workers;
- (8) specific recommendations for improving the infant and toddler child-care workforce; and
- (9) a timeline and benchmarks for the commission and local workforce development boards to implement recommendations from the strategic plan.
- (b) The commission shall convene a workgroup to assist the commission in developing the plan. The workgroup shall include:
 - (1) child-care providers;
 - (2) community stakeholders; and
 - (3) child-care workers.
- (c) The commission shall use the following information in creating the plan:
 - (1) demographic data of child-care workers in this state, including:
 - (A) the race, ethnicity, gender, and educational attainment of child-care workers; and
 - (B) the ages of the children the worker serves;
 - (2) compensation data for child-care workers disaggregated by race, ethnicity, gender, and educational attainment;
 - (3) the information described by Subdivisions (1) and (2) for a representative sample set of child-care facilities in the state; and
 - (4) information provided by the workgroup established under Subsection (b).
- (d) The commission shall provide the strategic plan prepared under this section to the governor, the lieutenant governor, and the speaker of the house of representatives.
- (e) The commission shall update the strategic plan prepared under this section every three years.

Sec. 302.0063. Child-Care Professional Development Scholarship Program

- (a) In this section, "program" means the professional development scholarship program established under this section.

- (b) From funds appropriated for the purpose, the commission shall establish and administer a professional development scholarship program for current and prospective child-care workers.
- (c) A scholarship under the program may be used to pay an individual's costs related to:
 - (1) earning:
 - (A) a Child Development Associate (CDA) credential; or
 - (B) an associate's degree or bachelor's degree in early childhood education or another related field from a public or private institution of higher education; and
 - (2) participation in a registered child-care apprenticeship program.
- (d) The program may be used to pay for other ancillary costs for child-care workers who are enrolled in an educational program or apprenticeship program described by Subsection (c), including:
 - (1) books and supplies;
 - (2) release time or stipends to attend classes;
 - (3) costs related to the examination for the Child Development Associate (CDA) credential;
 - (4) travel to attend classes or attend a hands-on practicum training; and
 - (5) stipends for mentors or master teachers who provide hands-on training at a child-care program.

Sec. 302.007. Report on Trade Adjustment Programs

- (a) The commission shall include in the commission's supplemental annual report to the governor and the legislature under Section 301.065(c) a report on the effectiveness of federal programs designed to provide trade adjustment assistance to persons in this state.
- (b) The report shall include the following information regarding persons who have participated in a program described by Subsection (a):
 - (1) the number of persons who enter employment;
 - (2) the occupations in which the persons are placed;
 - (3) the wages earned by persons before and after participation in the program;

- (4) whether a person who enters employment after completion of a program retains that employment for at least six months;
- (5) the number of persons participating in integrated vocational and language training programs; and
- (6) whether a participant has acquired basic skills to enhance employability in the participant's local labor market.

Sec. 302.008. Statewide Technology Workforce Campaign

The commission shall develop an information and marketing campaign designed to encourage residents of the state to enter the technology workforce. The campaign shall target populations that are traditionally economically disadvantaged and underrepresented in the technology workforce.

Sec. 302.009. Job Placement Incentive Program

- (a) The commission by rule shall develop a job placement incentive program under which persons with whom local workforce development boards contract for employment services under Chapter 2308, Government Code, are provided incentives for placing recipients of financial assistance and nonrecipient parents participating in employment programs under Chapter 31, Human Resources Code, in higher-wage jobs, as determined by the commission.
- (b) In developing guidelines for the job placement incentive program, the commission shall:
 - (1) define measures for higher-wage jobs based on:
 - (A) locally appropriate indicators of the wages necessary to lift recipients of employment services out of poverty and into self-sufficiency; and
 - (B) the self-sufficiency wage developed for each local workforce development board under the Workforce Investment Act of 1998 (29 U.S.C. Section 2801 et seq.); and
 - (2) involve representatives of local workforce development boards in developing guidelines for the program and the measures for higher-wage jobs.
- (c) The commission shall administer the job placement incentive program through the local workforce development boards.
- (d) A local workforce development board that provides a monetary incentive under the job placement incentive program to a person with whom the board contracts for employment services shall require the person to use the money for expenses relating to education, training, and support services necessary to prepare, place, and maintain recipients of financial

assistance and nonrecipient parents in jobs paying wages that allow those persons to attain self-sufficiency.

Sec. 302.010. Postemployment Services Guidelines

- (a) The commission by rule shall develop guidelines under which local workforce development boards provide postemployment services to a recipient of financial assistance or nonrecipient parent participating in an employment program under Chapter 31, Human Resources Code.
- (b) In developing the guidelines, the commission must consider the difficulties the recipient is likely to encounter in acquiring additional education and training after becoming employed.
- (c) The commission shall assist local workforce development boards in meeting the guidelines by providing information about model programs and best practices, including employer involvement in past employment services.
- (d) The commission shall involve representatives of local workforce development boards and other appropriate organizations in developing the guidelines and identifying model programs and best practices.

Sec. 302.011. Postemployment Case Management and Mentoring

The commission shall encourage local workforce development boards to provide postemployment case management services for and use mentoring techniques to assist recipients of financial assistance and nonrecipient parents who participate in employment programs under Chapter 31, Human Resources Code, and have, in comparison to other recipients and nonrecipient parents, higher levels of barriers to employment. The case management services and mentoring techniques must be designed to increase the person's potential for wage growth and development of a stable employment history.

Sec. 302.012. Monitoring of Employment History of Certain Former Recipients of Public Assistance

- (a) The division shall develop and implement a system to monitor the long-term employment history of persons who are former recipients of assistance under employment programs operated by the division under:
 - (1) Chapter 31, Human Resources Code; and
 - (2) 7 U.S.C. Section 2015(d).
- (b) In designing the system, the division shall cooperate with the Texas Department of Human Services.
- (c) For each former recipient of assistance, the system must be designed to:

- (1) establish a baseline earnings measure based on the recipient's earnings on leaving the employment program;
 - (2) track the wage and employment outcomes of the recipient for a period of up to but not more than three years;
 - (3) provide, to the extent possible, information regarding the recipient's household composition and earnings;
 - (4) provide, to the extent possible, information regarding additional training or education received by the recipient;
 - (5) compute:
 - (A) the recipient's individual earnings as a percentage of the federal poverty level; and
 - (B) if data is available, the recipient's household earnings as a percentage of the federal poverty level; and
 - (C) if data is available, the recipient's income as a percentage of the federal poverty level adjusted for the total value of any public assistance utilized by the recipient's household, including, but not limited to, medical assistance, food stamps, child care, transportation assistance, the federal earned income tax credit, and job training activities; and
 - (6) compare the recipient's individual earnings to a self-sufficiency standard similar to that required under 20 C.F.R. Section 663.230.
- (d) The commission shall report to the legislature not later than January 1 of each odd-numbered year regarding the information obtained from the system developed under Subsection (a). The report required under this subsection may be made separately or as a part of any other required report submitted to the legislature by the commission.

Sec. 302.013. Local Workforce Development Board Advisory Committee

- (a) In this section, **"advisory committee"** means the local workforce development board advisory committee created under this section.
- (b) The organization composed of a member of and the staff director of each local workforce development board in this state shall establish a local workforce development board advisory committee composed of nine members appointed by the executive officers of that organization.
- (c) The advisory committee shall be composed of:

- (1) six members of local workforce development boards who serve as members of the organization described by Subsection (b); and
 - (2) three staff directors of local workforce development boards who serve as members of the organization described by Subsection (b).
- (d) The members of the advisory committee must represent different geographic areas of the state.
- (e) The advisory committee shall:
 - (1) meet at least quarterly;
 - (2) report to the commission at least annually; and
 - (2) advise the commission and commission staff regarding the programs, policies, and rules of the commission that affect the operations of local workforce development boards and the local workforce delivery system.

Sec. 302.014. Employment Information for Secondary School Students

- (a) The commission shall provide the Texas Education Agency with information at least each quarter, disaggregated by county or other appropriate region, regarding:
 - (1) current and projected employment opportunities in this state;
 - (2) career and technical education partnership opportunities with business and industry; and
 - (3) professional development opportunities for teachers and learning opportunities for students through industry mentorships, internships, summer programs, after-school programs, and career-based student leadership opportunities.
- (b) The Texas Education Agency shall provide the information obtained under Subsection (a) to school districts for use in local planning and implementation of career and technical education and training programs.

Sec. 302.015. Provision of Employment Services to Certain Nonrecipient Parents

The commission shall provide employment services, including needs assessment, job training, postemployment, and related support services, to nonrecipient parents to the same extent the services are provided to recipients of financial assistance under Chapter 31, Human Resources Code.

Sec. 302.016. Rules Regarding Private Sector Prison Industries Programs

The commission shall adopt rules necessary to implement Section 497.0596(a) (4), Government Code.

Sec. 302.017. Peace Officer Employment Opportunity Internet Website

- (a) In this section, "peace officer" has the meaning assigned by Section 1701.001, Occupations Code.
- (b) The commission shall develop, maintain, and promote a statewide employment opportunity Internet website to facilitate:
 - (1) public awareness of peace officer employment opportunities with state and local law enforcement agencies; and
 - (2) an exchange of information between individuals seeking employment as peace officers in this state and state and local law enforcement agencies seeking applicants for employment as peace officers.
- (c) The Internet website must:
 - (1) be accessible to members of the public; and
 - (2) provide to individuals seeking employment as peace officers and state and local law enforcement agencies that have posted employment opportunities on the website an organized means of exchanging information.
- (d) The commission shall contract with the Texas Commission on Law Enforcement to develop a license verification interface to verify whether an applicant for employment as a peace officer:
 - (1) holds a current license issued by the Texas Commission on Law Enforcement under Chapter 1701, Occupations Code, and, if so, the level of that license; and
 - (2) has had the applicant's license revoked or suspended by the Texas Commission on Law Enforcement.
- (e) The Texas Commission on Law Enforcement shall provide the commission with technical assistance in the development and testing of the license verification interface under Subsection (d).
- (f) If the development and operation of the Internet website and the associated license verification interface is not possible due to a lack of available funding, the commission shall:
 - (1) enter into a memorandum of understanding with the Texas Commission on Law Enforcement to integrate a peace officer job matching database for individuals seeking employment as peace officers in this state and state and local law enforcement agencies seeking applicants for employment as peace officers into the commission's existing Labor Exchange System; and
 - (2) ensure that:

- (A) the commission registers an Internet domain name that is unique and that identifies on its face the purpose of the peace officer job matching database; and
- (B) the registered domain name and associated link directs users of the Internet to a web page that instructs users on how to use the Labor Exchange System and includes a link to enter that system.

Sec. 302.019. Occupational Shortage Study; Report

- (a) The commission shall gather and study information relating to existing and projected shortages in high-wage, high-demand occupations in this state. The study conducted by the commission under this section must include information on existing and projected shortages in high-wage, high-demand occupations in industrial job sectors, including:
 - (1) construction;
 - (2) manufacturing;
 - (3) agriculture;
 - (4) forestry;
 - (5) health care and social services;
 - (6) education;
 - (7) transportation and warehousing;
 - (8) mining, quarrying, and oil and gas extraction;
 - (9) utilities;
 - (10) wholesale trade;
 - (11) retail trade;
 - (12) finance and insurance;
 - (13) professional, scientific, and technical services; and
 - (14) hospitality and food services.
- (b) Not later than January 1 of each year, the commission shall submit to the governor, the lieutenant governor, the speaker of the house of representatives, and the presiding officer of each standing committee or subcommittee of the legislature with primary jurisdiction over

workforce development matters a detailed report summarizing the results of the commission's study under this section for the most recent state fiscal year and any suggestions and recommendations for legislative action the commission considers appropriate resulting from that study.

Sec. 302.0191. Report on Available Apprenticeships

- (a) In this section:
 - (1) "Apprenticeship program" includes:
 - (A) an industry-recognized training program, as defined by Section 302.252; and
 - (B) an apprenticeship training program, as defined by Section 133.001, Education Code.
 - (2) "Emerging and high-demand industry" means an industry or occupation described by the report required under Section 302.019.
- (b) Not later than September 1 of each year, the commission shall, in consultation with each local workforce development board, prepare and submit to the legislature a report on available apprenticeship programs in this state and make recommendations to expand the availability of apprenticeship programs in emerging and high-demand industries. The report must:
 - (1) include data on:
 - (A) the total number of active apprenticeship programs, categorized by the industries included in the North American Industry Classification System;
 - (B) the total number of active apprentices, categorized by the industries included in the North American Industry Classification System; and
 - (C) the total occupational demand for each industry, categorized by each occupation in the industry for which an apprenticeship program may be established; and
 - (2) make recommendations to expand available apprenticeship programs for emerging and high-demand industries with higher employment demand relative to the total number of active apprentices and apprenticeship programs.
- (c) The commission may collaborate and consult with the council or the Apprenticeship and Training Advisory Committee, as designated by the council, to develop recommendations for the report under Subsection (b).

- (d) The commission shall provide a copy of the report to the council or the Apprenticeship and Training Advisory Committee, as designated by the council, at the same time as the report required under Section 133.006(b), Education Code.

Sec. 302.020. Report on Transition from Military Service to Employment

Not later than September 1 of each year, the commission, in consultation with the Texas Coordinating Council for Veterans Services, shall submit to the governor, lieutenant governor, speaker of the house of representatives, and chairs of the legislative committees with appropriate jurisdiction a report that:

- (1) identifies:
 - (A) the five most common military occupational specialties of servicemembers who are transitioning from military service to employment;
 - (B) the five occupations for which the military occupational specialties identified in Paragraph (A) best offer transferable skills that meet the needs of employers; and
 - (C) any industry-based certifications that align with the military occupational specialties identified in Paragraph (A); and
- (2) includes any other data or other information identified by the commission in administering the College Credit for Heroes program under Section 302.0031 as useful for supporting the transition of servicemembers and veterans into the occupations identified under Subdivision (1)(B).

Sec. 302.0201. Workforce Development Career Education and Training Evaluation Pilot Program

- (a) The commission shall establish and administer a pilot program in the Borderplex workforce development area under which the local workforce development board serving that area is required to collect and evaluate cross-sectional data and longitudinal supplemental data regarding career education and training programs administered in that area for the purposes of identifying:
 - (1) successful program components; and
 - (2) any gaps in data used to follow up on career education and training program participants following program completion maintained by the commission, the Texas Education Agency, or the Texas Higher Education Coordinating Board under the Tri-Agency Workforce Initiative established under Chapter 2308A, Government Code.
- (b) Under the pilot program, the commission shall ensure that the local workforce development board serving the workforce development area maintains the following information for each

career education and training program participant following program completion, disaggregated by race, ethnicity, sex, income, and location:

- (1) the evaluation data described by Section 302.082(b); and
 - (2) data regarding the attainment of employment paying a self-sufficient wage, as determined under Section 2308A.012, Government Code.
- (c) On completion of the pilot program, the local workforce development board serving the workforce development area, in coordination with the commission, shall issue an analysis, by occupation and by provider, of the job placement performance of each career education and training program. The analysis must include:
- (1) an analysis of the attainment of employment paying a self-sufficient wage, as determined under Section 2308A.012, Government Code, following program completion; and
 - (2) detailed information on the services provided with each offered program.
- (d) The commission may share individual-level outcome information resulting from the pilot program with state agencies represented on the council through secure means that may be accessed only by authorized employees of those agencies.
- (e) Not later than December 1, 2028, the commission shall submit to the legislature a written report on the results of the pilot program. The report must include the commission's recommendation on whether the pilot program should be continued on a statewide basis.
- (f) This section expires September 1, 2029.

Subchapter B. Jurisdiction of Division of Workforce Development

Sec. 302.021. Consolidation of Workforce Development Programs

- (a) The following job-training, employment, and employment-related educational programs and functions are consolidated under the authority of the commission:
- (1) career school and college programs under Chapter 132, Education Code;
 - (2) apprenticeship programs under Chapter 133, Education Code;
 - (3) postsecondary vocational and technical job-training programs that are not a part of approved courses or programs that lead to licensing, certification, or an associate degree under Chapters 61, 130, and 135, Education Code, Subchapter E, Chapter 88, Education Code, and Subchapter E, Chapter 96, Education Code;
 - (4) employment programs under Chapter 31, Human Resources Code;

- (5) the senior citizens employment program under Chapter 101, Human Resources Code;
- (6) the work and family policies program under Chapter 81;
- (7) job-training programs funded under the Workforce Investment Act of 1998 (29 U.S.C. Section 2801 et seq.);
- (8) the job-counseling program for displaced homemakers under Chapter 304;
- (9) the reintegration of offenders program under Chapter 306;
- (10) the inmate employment counseling program;
- (11) the continuity of care program under Section 501.095, Government Code;
- (12) a literacy program from state, local, federal, and private funds available to the state for that purpose;
- (13) the employment service;

(NOTE: (14) intentionally omitted in order to track the numbering used in S.B. 280, 78th Legislature.)

- (15) the trade adjustment assistance program under Part 2, Subchapter II, Trade Act of 1974 (19 U.S.C. Section 2271 et seq.);
- (16) education, employment, employment support, training services, activities and programs funded under Temporary Assistance for Needy Families (42 U.S.C. Section 601 et seq.);
- (17) the food stamp employment and training program authorized under 7 U.S.C. Section 2015(d); and
- (18) the functions of the State Occupational Information Coordinating Committee.

(b) In addition to the programs consolidated under the authority of the commission under Subsection (a), the commission shall administer:

- (1) child-care services provided under Chapter 44, Human Resources Code; and
- (2) programs established in this state through federal funding to conduct full service career development centers and school-to-work transition services.

- (c) To the extent permitted under federal law, the commission shall administer the programs funded through the education coordination funds under Section 123, Job Training Partnership Act (29 U.S.C. Section 1533).
- (d) To the extent permitted under federal law, the commission shall promote and monitor services provided to persons with disabilities, including persons referred from the Texas Rehabilitation Commission.

Sec. 302.022. Client Accessibility

The director shall develop a uniform, statewide client application and enrollment process to determine an applicant's eligibility for workforce training and services funded through the division.

Sec. 302.023. Delegation of Functions

The executive director shall delegate all or part of the administration of a program listed under Section 302.021 that is eligible for block grant funding under Section 302.062 to a local workforce development board in an area in which a board has been certified and a local plan approved by the governor, or to another appropriate state or local entity in an area in which a local workforce development board has not been certified and a local plan approved by the governor.

Subchapter C. State-Local Planning; Local Workforce Development Boards

Sec. 302.041. State-Local Planning Process

The director shall design and implement a state-local planning process for workforce training and services provided through the programs under the jurisdiction of the division.

Sec. 302.042. Review of Local Plans; Recommendations

The commission shall review the local plans developed under Section 2308.304, Government Code, and shall make recommendations to the council regarding the implementation of those plans.

Sec. 302.043. Training for Local Workforce Development Board Members

- (a) The division shall provide management and board development training for all members of local workforce development boards that includes information regarding client eligibility determination, early childhood education, vendor management, the importance of high-quality workforces, and the complexity of managing multiple state and federal child-care funding sources and that encourages board members to be advocates in their communities for effective and efficient workforce development programs and for the improvement of child-care quality. If a member of a local workforce development board does not receive training under this section before the 91st day after the date on which the member begins service on the board, the person

is ineligible to continue serving on the board unless the training required under this subsection was requested by the member but not provided by the division.

- (b) Training may be provided directly by the division or by a third party that has demonstrated experience in providing training to local workforce development or similar boards.
- (c) The division shall ensure that a local workforce development board receives training under Subsection (a) before the board begins to manage the delivery of child-care services.
- (d) The training under this section must include training for local workforce development board members and board employees regarding the collection and analysis of data in the commission's reporting and information system for performance reports.

Sec. 302.044. Outreach Activities

The commission shall require that local workforce development boards participate in outreach activities provided by the commission that are designed by the commission to allow board members and employees to become more proficient in the administration and operation of local workforce development activities. The commission shall adopt policies establishing the number of outreach activities in which a board is required to participate.

Sec. 302.045. Sanctions Plan

The commission shall adopt a detailed and understandable plan to be used by local workforce development boards in the implementation of the sanction process. The plan adopted under this section must include:

- (1) a requirement that the commission provide technical assistance to the boards in avoiding or responding to sanctions; and
- (2) specific provisions regarding the time in which a board is to be allowed to address concerns and improve the board's performance.

Sec. 302.046. Plan Regarding Lack of Service Providers

- (a) The commission shall adopt a plan to address the lack of service providers in specific local workforce development areas.
- (b) The plan adopted under this section must include provisions:
 - (1) for offering incentives to attract exceptional service providers and to encourage those providers to cooperate and assist in improving the practices of other providers;
 - (2) relating to the imposition of sanctions by a board against a service provider; and

- (3) requiring, under certain circumstances, the commission to assist in providing services until a provider is designated.

Sec. 302.0461. Child Care Provider Contract Agreements

- (a) A local workforce development board may contract with child care providers operating in the board's area to provide subsidized child care services. The local workforce development board shall determine the number of places that the board reserves in the contract with a child care provider participating in the commission's subsidized child care program.
- (b) To be eligible for a contract under Subsection (a), a child care provider must:
 - (1) be a Texas Rising Star Program provider with a three-star rating or higher; and
 - (2) meet one of the following priorities of the commission:
 - (A) be located in:
 - (i) an area where the number of children younger than six years of age who have working parents is at least three times greater than the capacity of licensed child care providers in the area; or
 - (ii) an area determined by the commission to be underserved with respect to child care providers;
 - (B) have a partnership with a school district to provide a prekindergarten program;
 - (C) have a partnership with the Early Head Start or Head Start Program;
 - (D) increase the number of places reserved for infants and toddlers by high-quality child care providers; or
 - (E) satisfy a requirement in the local workforce development board's strategic plan.
- (c) Not later than six months after a local workforce development board enters into a contract under Subsection (a), the board shall submit a report to the commission evaluating the contract to determine its effect on:
 - (1) the financial stability of the child care provider participating in the contract;
 - (2) the availability of high-quality child care options for participants in the commission's subsidized child care program in the workforce development area;

- (3) the number of high-quality child care providers in any part of the workforce development area with a high concentration of families with a need for child care; and
 - (4) the percentage of children participating in the commission's subsidized child care program at each Texas Rising Star Program provider in the local workforce development area.
- (d) The commission shall determine the information that must be included in the report required by Subsection (c). A local workforce development board shall update the report required by Subsection (c) every 12 months from the date the board submits its initial report to the commission.

Sec. 302.047. Flexibility Rating System for Commission Directives

- (a) The commission shall develop and implement a flexibility rating system for directives sent by the commission to local workforce development boards. A rating assigned to a directive under the system shall indicate the degree of flexibility that a local workforce development board has in implementing the directive. The commission shall provide an explanation of the ratings assigned under the system to each local workforce development board.
- (b) The commission shall adopt rules as necessary to implement this section.

Sec. 302.048. Assessment of Local Workforce Development Board's Capacity to Oversee and Manage Local Funds and Delivery of Services

- (a) In consultation with local workforce development boards, the commission by rule shall establish criteria to be used by the commission to evaluate each local workforce development board's overall capacity to oversee and manage local funds and the delivery of local workforce services.
- (b) The criteria established under Subsection (a) must address a local workforce development board's ability to:
 - (1) develop, maintain, and upgrade comprehensive fiscal management systems;
 - (2) hire, train, and retain qualified staff to carry out the board's oversight activities;
 - (3) select and oversee local contractors to improve the delivery of workforce services;
 - (4) oversee and improve the operations of local career development centers in the area served by the board;
 - (5) manage the contractors' performance across multiple board programs; and
 - (6) identify and resolve long-standing oversight problems of the board and performance problems of contract providers.

- (c) Based on the criteria prescribed under this section, the commission shall develop performance measures to be used by the commission to evaluate each local workforce development board.
- (d) The commission shall post the results of the commission's evaluation of each local workforce development board on the commission's Internet website in a format that is readily accessible to and understandable by a member of the public.
- (e) The commission annually shall compile information provided to the commission by local workforce development boards that aggregates existing performance measure data on each local career development center in a consistent format demonstrating overall performance across multiple programs.
- (f) The commission shall post the information compiled by the commission under Subsection (e) on the commission's Internet website in a format that is readily accessible to and understandable by a member of the public.

Subchapter D. Allocation of Funds; Block Grant Program

Sec. 302.061. Administration Funding

Unless superseded by federal law, the commission may use an amount not to exceed 20 percent of the amount of funds available to the commission for workforce training and services to implement state-level responsibilities, including administration, research and planning, system design and development, and training and technical assistance.

Sec. 302.062. Block Grants to Local Workforce Development Areas

- (a) Effective July 1, 1996, the commission shall provide to the local workforce development areas in which local workforce development boards have been certified and local plans approved by the governor, through a block grant process, funds available to the commission for workforce training and employment services, unless superseded by federal law. Administrative costs under this subsection may not exceed five percent of the total amount of funds available to the commission for block grants for workforce training and services.
- (b) In the case of funds that are allocated to this state or regions of this state through the application of established formulas, the commission shall allocate amounts across the state using the same formula that was used to provide the funds to the state or that region.
- (c) In the case of funds that are not allocated by formula to this state or regions of this state, the commission shall develop a need-based formula that will equitably allocate funds among local workforce development areas throughout this state.
- (d) Contingent on the availability of funds, in any state fiscal biennium, the commission may not allocate to a local workforce development area less than 90 percent or more than 125 percent of the amount received by that area during the preceding state fiscal biennium.

- (e) In each area of the state not yet designated as a local workforce development area or that has been so designated but in which a local workforce development board has not been certified and a local plan approved by the governor, the executive director shall:
 - (1) provide workforce training and services in that area to the extent allowed by federal law; and
 - (2) specify an entity, which may be the commission, for the performance of employment services in that area.
- (f) At least 80 percent of the funds available to the commission for workforce training and services in an area shall be provided to the local workforce development board under Subsection (a) or, in an area in which a local workforce development board has not been certified and a local plan approved by the governor, to the entity specified by the executive director under Subsection (e). If a local workforce development board has been certified and a local plan approved by the governor, the funds shall be provided through the block grant process described by this section. Unless superseded by federal law, total administrative costs for local workforce training and services may not exceed 15 percent of the funds allocated under this subsection, whether the training and services are provided through a local workforce development board or through the commission or other entity specified under Subsection (e).
- (g) Block grant funding under this section does not apply to:
 - (1) the work and family policies program under Chapter 81;
 - (2) a program under the skills development fund created under Chapter 303;
 - (3) the job counseling program for displaced homemakers under Chapter 304;
 - (4) the Communities In Schools program under Subchapter E, Chapter 33, Education Code, to the extent that funds are available to the commission for that program;
 - (5) the reintegration of offenders program under Chapter 306;
 - (6) apprenticeship programs under Chapter 133, Education Code;
 - (7) the continuity of care program under Section 501.095, Government Code;
 - (8) employment programs under Chapter 31, Human Resources Code;
 - (9) the senior citizens employment program under Chapter 101, Human Resources Code;
 - (10) the programs described by Section 302.021(b)(2);

- (11) the community service program under the National and Community Service Act of 1990 (42 U.S.C. Section 12501 et seq.);
- (12) the trade adjustment assistance program under Part 2, Subchapter II, Trade Act of 1974 (19 U.S.C. Section 2271 et seq.);
- (13) the programs to enhance the employment opportunities of veterans;
- (14) the functions of the State Occupational Information Coordinating Committee; and
- (15) the adult education and literacy programs under Chapter 315.

Sec. 302.063. Waivers

The commission shall develop objective criteria for the granting of waivers allowed under this chapter.

Sec. 302.064. Collaboration with Local Boards

- (a) The commission shall collaborate with local workforce development boards when determining the use of funds at the local level.
- (b) The commission shall develop funding guidelines and strategies allowing boards to exercise flexibility in identifying and addressing the needs of persons who live in remote areas or who face other barriers to employment.

Sec. 302.065. Integration of Block Grant Programs and Workforce Services

- (a) To streamline the delivery of services provided in local career development centers, the commission and local workforce boards shall integrate the administration of the following federal block grant programs and the caseworker functions associated with those programs as provided by this section:
 - (1) Temporary Assistance for Needy Families (TANF) CHOICES training and employment programs under Chapters 31 and 34, Human Resources Code;
 - (2) child care programs under Chapter 44, Human Resources Code;
 - (3) employment and training programs under Title I of the Workforce Investment Act of 1998 (29 U.S.C. Section 2801 et seq.) or any subsequent applicable federal legislation; and
 - (4) the food stamp employment and training program authorized under 7 U.S.C. Section 2015(d).
- (b) The commission, in consultation with local workforce development boards, shall ensure that state-level performance measures, rules, policies, procedures, and organizational structures

support the integration of the federal block grant programs described by Subsection (a) and the caseworker functions associated with those programs at the local level.

- (c) Each local career development center that provides services through the federal block grant programs described by Subsection (a) shall provide:
 - (1) integrated services across the programs;
 - (2) an integrated determination through a single point of contact of a customer's eligibility for services under more than one program; and
 - (3) integrated case management through a single point of contact for a customer receiving services under more than one program.

Subchapter E. Workforce Development Evaluation System

Sec. 302.081. Maintenance and Operation of Workforce Development Evaluation System

- (a) The commission shall maintain and operate an automated follow-up and evaluation system derived from appropriate available information, including:
 - (1) unemployment insurance wage records maintained by the commission; and
 - (2) student follow-up information available through the Texas Higher Education Coordinating Board.
- (b) The agencies represented on the council shall fund the maintenance and operation of the evaluation system by using funds available to the agencies for evaluation of each agency's workforce development programs.

Sec. 302.082. Information and Data for Evaluation System

- (a) Each state agency represented on the council shall provide information to support the commission's follow-up and evaluation system as requested.
- (b) Evaluation data in the system must include the following information disaggregated by race, ethnicity, sex, income, and location:
 - (1) placement rates;
 - (2) wages paid;
 - (3) retention in employment statistics;
 - (4) the number of education and training-related placements; and

- (5) other appropriate factors, including public welfare dependency and the pursuit of additional education.
- (c) The commission may develop a method for collecting occupational information to supplement wage record information collected by the commission under Section 204.0025. The commission may request employers, providers, and other appropriate sources to provide placement, employment, and earnings information to the commission.
- (d) The commission shall ensure that:
 - (1) the system includes with the evaluation data a hyperlink to an Internet website where self-sufficient wage data as determined under Section 2308A.012, Government Code, is posted; and
 - (2) following any modernization of the evaluation system by the commission on or after September 1, 2023, the evaluation data in the system includes a comparison of self-sufficient wage data with program earnings outcomes at the first, third, and fifth anniversary of the date of program completion.

Sec. 302.083. Analysis

- (a) At least annually, the commission shall issue an analysis, by occupation and by the provider of the job placement performance, of each workforce development program for the previous one-year, three-year, and five-year periods to:
 - (1) each provider of workforce education or workforce training and services;
 - (2) the Texas Higher Education Coordinating Board for each provider of workforce education approved and administered by the coordinating board;
 - (3) each local workforce development board for each provider of workforce training and services in the workforce development area; and
 - (4) the division.
- (a-1) Following any modernization of the evaluation system by the commission on or after September 1, 2023, an analysis issued under Subsection (a) must include:
 - (1) an analysis regarding the attainment of employment paying a self-sufficient wage, as determined under Section 2308A.012, Government Code, following completion of a career education and training program; and
 - (2) detailed information on the services provided with each offered program.

- (b) The commission shall post each analysis issued under Subsection (a) on the commission's Internet website in a format that is readily accessible to and understandable by a member of the public.

Sec. 302.084. Use by Texas Higher Education Coordinating Board

The Texas Higher Education Coordinating Board shall use the job placement information received under this subchapter and other information to:

- (1) evaluate the effectiveness of workforce education;
- (2) determine whether a public or private workforce education program is effective in placing persons who successfully complete the program in jobs related to the persons' training; and
- (3) determine whether to continue, expand, or terminate a program established under Section 61.051, Education Code.

Sec. 302.085. Use by Council and Workforce Development Board

The council and each local workforce development board shall use the information developed under this subchapter and other information to determine whether a specific workforce training and services program administered by or funded by the local board is effective and whether to continue the training and services program.

Sec. 302.086. Use of Evaluation System

The follow-up and evaluation system shall be used to assist the commission, the council, local workforce development boards, institution boards, the Texas Higher Education Coordinating Board, the Texas Education Agency, and other agencies in evaluating the labor market success and effectiveness of workforce development in this state.

Subchapter F. Employment and Training Investment Assessment

Sec. 302.101. Training Stabilization Fund

- (a) The training stabilization fund is established as a special trust fund outside of the state treasury in the custody of the comptroller separate and apart from all public money or funds of this state. The fund is composed of:
 - (1) money deposited to the fund under Section 204.123; and
 - (2) any other money received for deposit in the fund.

- (a) Money in the training stabilization fund may be used in a year in which the amounts in the employment and training investment holding fund are insufficient to meet the legislative appropriation for that fiscal year for the skills development program strategies and activities.
- (b) Money in the training stabilization fund shall be transferred to the skills development fund under Subsection (b) not later than September 30. The amount transferred from the training stabilization fund may not exceed the amounts appropriated to the skills development program strategies and activities in the fiscal year in which the transfer is made.
- (c) Interest that accrues on the money in the training stabilization fund shall be deposited quarterly to the credit of the compensation fund.

Subchapter G. Priority of Service In Job Training and Employment Assistance Programs

Sec. 302.151. Definitions

In this subchapter:

- (1) "Active military, naval, or air service" has the meaning assigned by 38 U.S.C. Section 101(24).
- (2) "Covered person" has the meaning assigned by 38 U.S.C. Section 4215(a). The term includes the spouse of any member of the armed forces who died while serving on active military, naval, or air service.
- (3) "Veteran" has the meaning assigned by 38 U.S.C. Section 101(2).

Sec. 302.152. Priority of Service Required

- (a) A covered person is entitled to priority in obtaining services or resources under this subchapter. In the implementation of this section, a covered person may take precedence in obtaining services or resources under this subchapter over persons who are not covered persons.
- (b) For purposes of Subsection (a), "taking precedence" may mean that:
 - (1) the covered person receives access to a service or resource before a person who is not a covered person; or
 - (2) if the service or resource is limited, the covered person receives access to the service or resource instead of a person who is not a covered person.

Sec. 302.153. Participation in State-Funded Programs

In selecting applicants to receive training or assistance under a job training or employment assistance program or service that is funded wholly or partly with state money, priority of service must be given to

a covered person who meets the minimum eligibility requirements to participate or enroll in the program or receive the service.

Sec. 302.154. Participation in Texas Veterans Commission Programs

- (a) The Texas Veterans Commission shall operate programs funded under 38 U.S.C. Chapters 41 and 42. The commission may provide services to enhance the employment and training opportunities of veterans, covered persons, active duty service members, spouses of active duty service members, and members of the Texas National Guard. The services provided under this section must be provided by state employees.
- (b) The Texas Veterans Commission may adopt rules necessary to implement this section.

Subchapter I. Texas Industry-Recognized Apprenticeship Programs Grant Program

Sec. 302.251. Purpose.

The purpose of the Texas Industry-Recognized Apprenticeship Programs Grant Program is to address the immediate industrial workforce needs of this state resulting from the impact of Hurricane Harvey and overall workforce shortages.

Sec. 302.252. Definitions.

In this subchapter:

- (1) "Industry-recognized apprenticeship program" means a training program that:
 - (A) provides on-the-job training, preparatory instruction, supplementary instruction, or related instruction in an occupation that has been recognized as an apprenticeable occupation by the Office of Apprenticeship of the United States Department of Labor; or
 - (B) is certified as an industry-recognized apprenticeship program by a third-party certifier that has received from the United States Department of Labor a favorable determination of qualification to award that certification.
- (2) "Person" does not include a governmental entity.

Sec. 302.253. Program.

The commission shall establish and administer the Texas Industry-Recognized Apprenticeship Programs Grant Program to encourage the private sector to develop specialized industry-recognized apprenticeship programs in this state. Under the program, the commission shall award grants to persons who meet the requirements of Section 302.255.

Sec. 302.254. Texas Industry-Recognized Apprenticeship Fund.

- (a) The Texas industry-recognized apprenticeship fund is a dedicated account in the general revenue fund.
- (b) The following amounts shall be deposited in the fund:
 - (1) money appropriated by the legislature for the fund for purposes described by this subchapter;
 - (2) interest earned on the investment of money in the fund; and
 - (3) gifts, grants, and other donations received for the fund.
- (c) The fund may be used only for an apprenticeship program that meets the requirements of Section 302.255.

Sec. 302.255. Application; Eligibility for Grant.

The commission shall establish eligibility criteria for a person to receive a grant under this subchapter. The eligibility criteria must include the requirement that the person:

- (1) apply to the commission in the form and manner prescribed by commission rule;
- (2) if the person is an entity, be in good standing under the laws of the state in which the person was formed or organized, as evidenced by a certificate issued by the secretary of state or the state official of another state having custody of the records pertaining to a person formed or organized under the laws of that state;
- (3) not owe delinquent taxes to a taxing unit of this state; and
- (4) operate an industry-recognized apprenticeship program that:
 - (A) provides on-the-job training under an industry-recognized, accredited training curriculum;
 - (B) guarantees employment for participants during and on successful completion of the training period;
 - (C) pays each participant a wage and provides eligibility for participants to receive full-time employee benefits during and on successful completion of the training period;
 - (D) requires participants to advance their skills, at a minimum, to a credentialed, performance-verified mid-level status in a field related to the industry-recognized apprenticeship program;

- (E) has a duration of not more than 26 weeks; and
- (F) gives preference to training and hiring:
 - (i) unemployed Texans who have filed with the commission;
 - (ii) veterans of the United States armed forces;
 - (iii) formerly incarcerated individuals; and
 - (iv) underemployed individuals who are working without industry-recognized certifications or other credentials.

Sec. 302.256. Grant Award; Grant Amount.

- (a) The commission may award grants under this subchapter only to reimburse an eligible person for the cost of training industry-recognized apprenticeship program participants who:
 - (1) complete a program operated by the person that meets the requirements of Section 302.255(4) having achieved the skills level required by Section 302.255(4)(D); and
 - (2) maintain suitable employment for at least 12 consecutive months immediately following completion of the program.
- (b) Grant funds awarded to an eligible person under this subchapter must be awarded on a per industry-recognized apprenticeship program participant basis. The amount of a grant awarded to an eligible person for training a participant described by Subsection (a) may not exceed the lesser of:
 - (1) the total cost to the person for training the participant, excluding wages and benefits; or
 - (2) \$10,000.
- (c) In determining the amount of a grant awarded under this subchapter for an industry-recognized apprenticeship program participant, the commission may consider the increased economic value to the state resulting from or reasonably anticipated to result from the participant's completion of the program, including by considering any increase or anticipated increase in the amount of tax revenue generated by the participant, and any decrease in the participant's use of a state-funded benefit, attributable to the participant's job placement and earning projections. The commission by rule may establish guidelines or formulas for determining an increase in economic value to the state attributable to a participant's program completion for purposes of this subsection.
- (d) The commission by rule may establish limitations on the total amount of grant funds that a person may be awarded under this subchapter.

Sec. 302.257. Program Rules.

- (a) The commission shall adopt rules to administer and enforce this subchapter.
- (b) The commission shall post the rules on its Internet website.

Sec. 302.258. Annual Report.

- (a) Not later than December 1 of each year, the commission shall submit to the lieutenant governor, the speaker of the house of representatives, and the members of the legislature a report on grants made under this subchapter that states:
 - (1) the number of direct jobs each grant recipient created in this state in each job category of the federal Equal Employment Opportunity Commission's job classification guide;
 - (2) the median wage of the jobs each grant recipient created in this state;
 - (3) the total amount of each grant awarded to a grant recipient;
 - (4) the number and categorization of industry-recognized apprenticeship program participants trained and employed by each grant recipient under Section 302.255(4)(F);
 - (5) a determination of whether the grant program administered under this subchapter has resulted in a positive return on investment to the state and an explanation of the methods used by the commission in making that determination; and
 - (6) if the commission considers it appropriate and feasible, a list of recommendations for legislative or other changes to the grant program administered under this subchapter to increase the return on investment to the state.
- (b) The report may not include information that is made confidential by law.
- (c) The commission may require a grant recipient under this subchapter to submit, on a form provided by the commission, information required to complete the report.
- (d) The commission shall post the annual report on its Internet website.