

CONFERENCE COMMITTEE REPORT FORM

Austin, Texas

5/27/2017

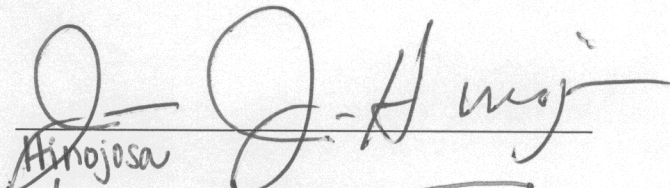
Date

Honorable Dan Patrick
President of the Senate

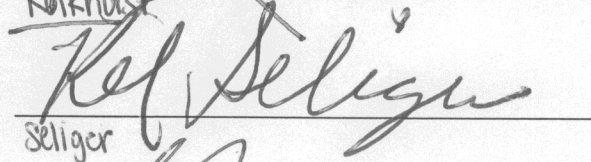
Honorable Joe Straus
Speaker of the House of Representatives

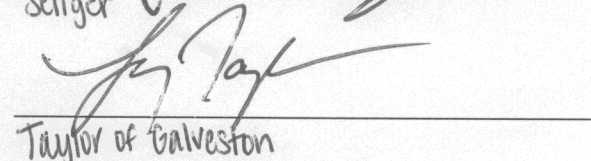
Sirs:

We, Your Conference Committee, appointed to adjust the differences between the Senate and the House of Representatives on HB 2994 have had the same under consideration, and beg to report it back with the recommendation that it do pass in the form and text hereto attached.

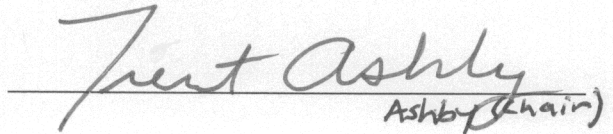

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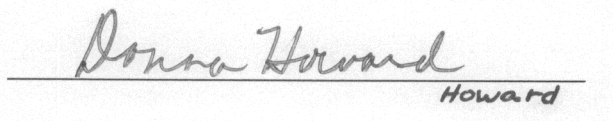

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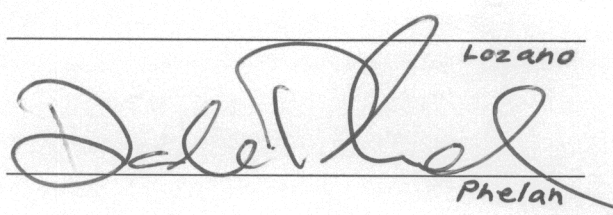

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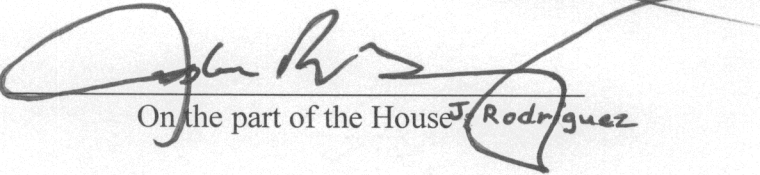

Taylor of Galveston

West On the part of the Senate


Ashby (Chair)


Howard


Lozano
Phelan


On the part of the House J. Rodriguez

Note to Conference Committee Clerk:

Please type the names of the members of the Conference Committee under the lines provided for signature. Those members desiring to sign the report should sign each of the six copies. Attach a copy of the Conference Committee Report and a Section by Section side by side comparison to each of the six reporting forms. The original and two copies are filed in house of origin of the bill, and three copies in the other house.

CONFERENCE COMMITTEE REPORT

3rd Printing

H.B. No. 2994

A BILL TO BE ENTITLED

1 AN ACT
2 relating to workforce continuing education offered by public junior
3 colleges.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

5 SECTION 1. Chapter 130, Education Code, is amended by
6 adding Subchapter L to read as follows:

7 SUBCHAPTER L. WORKFORCE CONTINUING EDUCATION

8 Sec. 130.301. DEFINITIONS. In this subchapter:

9 (1) "Adult" means a person who:

10 (A) has completed the person's sophomore year of
11 high school;

12 (B) is 17 years of age and has been awarded a high
13 school diploma or its equivalent; or

14 (C) is 18 years of age or older, regardless of the
15 person's previous educational experience.

16 (2) "Avocational course" means a course of study in a
17 subject or activity that is usually engaged in by a person in
18 addition to the person's regular work or profession for recreation
19 or in relation to a hobby. The term includes a community interest
20 course.

21 (3) "Coordinating board" means the Texas Higher
22 Education Coordinating Board.

23 (4) "Workforce continuing education" means a program
24 of instruction that:

1 (A) is designed primarily for adults; and
2 (B) is intended, on completion by a participant,
3 to prepare the participant to qualify to apply for and accept an
4 employment offer or a job upgrade within a specific occupational
5 category or to bring the participant's knowledge or skills up to
6 date on new developments in a particular occupation or profession.

7 (5) "Workforce continuing education course" means a
8 course of instruction in workforce continuing education that is
9 approved by the coordinating board. The term does not include an
10 avocational course.

11 Sec. 130.302. FORMULA FUNDING FOR WORKFORCE CONTINUING
12 EDUCATION COURSES. Notwithstanding Section 130.003 or any other
13 law, contact hours attributable to the enrollment of a student in a
14 workforce continuing education course offered by a public junior
15 college shall be included in the contact hours used to determine the
16 college's proportionate share of state money appropriated and
17 distributed to public junior colleges under Sections 130.003 and
18 130.0031, regardless of whether the college waives all or part of
19 the tuition or fees for the course under Section 130.304.

20 Sec. 130.303. WORKFORCE CONTINUING EDUCATION FOR HIGH
21 SCHOOL STUDENTS. (a) A public junior college may offer, or may
22 enter into an agreement with a school district, organization, or
23 other person that operates a high school to offer, workforce
24 continuing education courses other than learning framework
25 courses, basic employability courses, and basic learning skills
26 courses to a person who:

27 (1) is enrolled in high school on the completion of the

1 person's sophomore year;

2 (2) is enrolled in a school that is not formally
3 organized as a high school and is at least 16 years of age; or

4 (3) is attending high school while incarcerated, is at
5 least 16 years of age, and is not eligible for release from
6 incarceration before the person's 18th birthday.

7 (b) This section does not prohibit a public junior college
8 from offering community interest continuing education courses
9 using local funds.

10 Sec. 130.304. WAIVER OF TUITION AND FEES FOR WORKFORCE
11 CONTINUING EDUCATION COURSES. A public junior college may waive
12 all or part of the tuition or fees charged to a student for a
13 workforce continuing education course only if:

14 (1) the student:

15 (A) is enrolled in high school or in a school
16 described by Section 130.303(a)(2);

17 (B) is 16 years of age or older, has had the
18 disabilities of minority removed, and is not enrolled in secondary
19 education; or

20 (C) is under the age of 18 and is incarcerated;

21 (2) all or a significant portion of the college's costs
22 for facilities, instructor salaries, equipment, and other expenses
23 for the course are covered by business, industry, or other local
24 public or private entities; or

25 (3) the course is taught in a federal correctional
26 facility and the facilities, equipment, supplies, and other
27 expenses for the course are funded by the federal government.

1 Sec. 130.305. RULES. The coordinating board shall adopt
2 any rules the coordinating board considers necessary for the
3 administration of this subchapter. In adopting those rules, the
4 coordinating board shall use the negotiated rulemaking procedures
5 under Chapter 2008, Government Code.

6 SECTION 2. This Act takes effect September 1, 2017.

House Bill 2994
Conference Committee Report
Section-by-Section Analysis

HOUSE VERSION

SECTION 1. Chapter 130, Education Code, is amended by adding Subchapter L to read as follows:

SUBCHAPTER L. WORKFORCE CONTINUING EDUCATION

Sec. 130.301. DEFINITIONS. In this subchapter:

(1) "Adult" means a person who:

(A) is 17 years of age and has been awarded a high school diploma or its equivalent; or

(B) is 18 years of age or older, regardless of the person's previous educational experience.

(2) "Coordinating board" means the Texas Higher Education Coordinating Board.

(3) "Workforce continuing education" means a program of instruction that:

(A) is designed primarily for adults; and

(B) is intended, on completion by a participant, to prepare the participant to qualify to apply for and accept an employment offer or a job upgrade within a specific occupational category or to bring the participant's knowledge or skills up to date on new developments in a particular occupation or profession.

(4) "Workforce continuing education course" means a course of instruction in workforce continuing education that is approved by the coordinating board.

Sec. 130.302. FORMULA FUNDING FOR WORKFORCE

SENATE VERSION (IE)

SECTION 1. Chapter 130, Education Code, is amended by adding Subchapter L to read as follows:

SUBCHAPTER L. WORKFORCE CONTINUING EDUCATION

Sec. 130.301. DEFINITIONS. In this subchapter:

(1) "Adult" means a person who:

(A) has completed the person's sophomore year of high school;

(B) is 17 years of age and has been awarded a high school diploma or its equivalent; or

(C) is 18 years of age or older, regardless of the person's previous educational experience.

(2) "Avocational course" means a course of study in a subject or activity that is usually engaged in by a person in addition to the person's regular work or profession for recreation or in relation to a hobby. The term includes a community interest course.

(3) "Coordinating board" means the Texas Higher Education Coordinating Board.

(4) "Workforce continuing education" means a program of instruction that:

(A) is designed primarily for adults; and

(B) is intended, on completion by a participant, to prepare the participant to qualify to apply for and accept an employment offer or a job upgrade within a specific occupational category or to bring the participant's knowledge or skills up to date on new developments in a particular occupation or profession.

(5) "Workforce continuing education course" means a course of instruction in workforce continuing education that is approved by the coordinating board. *The term does not include an avocational course.*

Sec. 130.302. FORMULA FUNDING FOR WORKFORCE

CONFERENCE

SECTION 1. Same as Senate version.

House Bill 2994
Conference Committee Report
Section-by-Section Analysis

HOUSE VERSION

CONTINUING EDUCATION COURSES. Notwithstanding Section 130.003 or any other law, contact hours attributable to the enrollment of a student in a workforce continuing education course offered by a public junior college shall be included in the contact hours used to determine the college's proportionate share of state money appropriated and distributed to public junior colleges under Sections 130.003 and 130.0031, regardless of whether:

(1) the course is taken by a student who is not an adult under Section 130.303; or

(2) the college waives all or part of the tuition or fees for the course under Section 130.304.

Sec. 130.303. WORKFORCE CONTINUING EDUCATION FOR HIGH SCHOOL STUDENTS. A public junior college may enter into an agreement with a school district, organization, or other person that operates a high school to offer workforce continuing education courses *to persons enrolled in a high school who are at least 16 years of age on the census date of the applicable course. For purposes of this section and Section 130.304, a person who is enrolled in a school that is not formally organized as a high school is considered to be enrolled in high school.*

Sec. 130.304. WAIVER OF TUITION AND FEES FOR CERTAIN WORKFORCE CONTINUING EDUCATION COURSES. A public junior college may waive all or part of

SENATE VERSION (IE)

CONTINUING EDUCATION COURSES. Notwithstanding Section 130.003 or any other law, contact hours attributable to the enrollment of a student in a workforce continuing education course offered by a public junior college shall be included in the contact hours used to determine the college's proportionate share of state money appropriated and distributed to public junior colleges under Sections 130.003 and 130.0031, regardless of whether the college waives all or part of the tuition or fees for the course under Section 130.304.

Sec. 130.303. WORKFORCE CONTINUING EDUCATION FOR HIGH SCHOOL STUDENTS. (a) A public junior college *may offer, or* may enter into an agreement with a school district, organization, or other person that operates a high school to offer, workforce continuing education courses *other than learning framework courses, basic employability courses, and basic learning skills courses to a person who:*

(1) is enrolled in high school on the completion of the person's sophomore year;

(2) is enrolled in a school that is not formally organized as a high school and is at least 16 years of age; or

(3) is attending high school while incarcerated, is at least 16 years of age, and is not eligible for release from incarceration before the person's 18th birthday.

(b) This section does not prohibit a public junior college from offering community interest continuing education courses using local funds.

Sec. 130.304. WAIVER OF TUITION AND FEES FOR WORKFORCE CONTINUING EDUCATION COURSES. A public junior college may waive all or part of the tuition or

CONFERENCE

House Bill 2994
Conference Committee Report
Section-by-Section Analysis

HOUSE VERSION

the tuition or fees charged to a student for a workforce continuing education course if:

(1) the student:

(A) is enrolled in high school;

(B) is 16 years of age or older, has had the disabilities of minority removed, and is not enrolled in secondary education;

or

(C) is under the age of 18 and is incarcerated;

(2) all or a significant portion of the college's costs for facilities, instructor salaries, equipment, and other expenses for the course are covered by business, industry, or other local public or private entities; or

(3) the course is taught in a federal correctional facility and the facilities, equipment, supplies, and other expenses for the course are funded by the federal government.

Sec. 130.305. RULES. The coordinating board shall adopt any rules the coordinating board considers necessary for the administration of this subchapter. In adopting those rules, the coordinating board shall use the negotiated rulemaking procedures under Chapter 2008, Government Code.

SECTION 2. This Act takes effect September 1, 2017.

No equivalent provision.

No equivalent provision.

No equivalent provision.

SENATE VERSION (IE)

fees charged to a student for a workforce continuing education course *only* if:

(1) the student:

(A) is enrolled in high school *or in a school described by Section 130.303(a)(2)*;

(B) is 16 years of age or older, has had the disabilities of minority removed, and is not enrolled in secondary education;

or

(C) is under the age of 18 and is incarcerated;

(2) all or a significant portion of the college's costs for facilities, instructor salaries, equipment, and other expenses for the course are covered by business, industry, or other local public or private entities; or

(3) the course is taught in a federal correctional facility and the facilities, equipment, supplies, and other expenses for the course are funded by the federal government. [FA1]

Sec. 130.305. RULES. The coordinating board shall adopt any rules the coordinating board considers necessary for the administration of this subchapter. In adopting those rules, the coordinating board shall use the negotiated rulemaking procedures under Chapter 2008, Government Code.

SECTION 2. Same as House version.

SECTION __. Section 51.451, Education Code, is amended. [FA2]

SECTION __. Section 51.452, Education Code, is amended. [FA2]

SECTION __. Section 51.453, Education Code, is amended. [FA2]

CONFERENCE

SECTION 2. Same as House version.

Same as House version.

Same as House version.

Same as House version.

House Bill 2994
Conference Committee Report
Section-by-Section Analysis

HOUSE VERSION	SENATE VERSION (IE)	CONFERENCE
<i>No equivalent provision.</i>	SECTION __. Section 51.454(a), Education Code, is amended. [FA2]	Same as House version.
<i>No equivalent provision.</i>	SECTION __. Subchapter C, Chapter 61, Education Code, is amended. [FA2]	Same as House version.
<i>No equivalent provision.</i>	SECTION __. Subchapter C, Chapter 61, Education Code, is amended. [FA2]	Same as House version.
<i>No equivalent provision.</i>	SECTION __. Applicability provision. [FA2]	Same as House version.
<i>No equivalent provision.</i>	SECTION __. Transition provisions.[FA2]	Same as House version.

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION

May 27, 2017

TO: Honorable Dan Patrick, Lieutenant Governor, Senate
Honorable Joe Straus, Speaker of the House, House of Representatives

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB2994 by Ashby (Relating to workforce continuing education offered by public junior colleges.), **Conference Committee Report**

Estimated Two-year Net Impact to General Revenue Related Funds for HB2994, Conference Committee Report: an impact of \$0 through the biennium ending August 31, 2019. However, beginning in 2020-21 there would be an estimated negative impact of (\$26,077,952).

General Revenue-Related Funds, Five-Year Impact:

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2018	\$0
2019	\$0
2020	(\$13,038,976)
2021	(\$13,038,976)
2022	(\$13,038,976)

All Funds, Five-Year Impact:

Fiscal Year	Probable (Cost) from <i>General Revenue Fund</i> 1
2018	\$0
2019	\$0
2020	(\$13,038,976)
2021	(\$13,038,976)
2022	(\$13,038,976)

Fiscal Analysis

The bill would amend the Education Code to allow contact hours attributable to the enrollment of a student in a workforce continuing education course to be included in formula funding. Currently, these hours are not included in formula funding. This assumed cost to General Revenue would not be seen until at least fiscal year 2020, as formula funding is provided to institutions based on student data prior to the biennium to be funded. Under the provisions of the bill, contact

hours earned by students in workforce continuing education courses would be eligible for formula funding regardless of whether tuition and fees were wholly or partially waived.

The bill would also amend the Education Code to allow a public community college to waive all or part of the tuition and fees charged for a workforce continuing education course for certain students, if all or a portion of the costs are covered by local entities, or if the course is taught in a federal correctional facility. The contact hours earned by students whose tuition and fees are waived would be eligible for formula funding.

Methodology

The Texas Higher Education Coordinating Board (THECB) estimates an additional 1.6 million contact hours per semester would be eligible for formula funding. Applying the current annual contact hour rate of \$2.69 to the semesters that continuing education courses are offered results in an estimated annual formula cost of \$13.0 million in General Revenue.

Local Government Impact

This analysis assumes that the increased contact hours available for funding under the provisions of the bill could result in an increase in formula funding. However, without knowing which programs would be offered under the expanded definition for potential students, these fiscal implications of the bill are unknown at this time.

Source Agencies: 781 Higher Education Coordinating Board

LBB Staff: UP, THo, DEH, ESC

Certification of Compliance with

Rule 13, Section 6(b), House Rules of Procedure

Rule 13, Section 6(b), House Rules of Procedure, requires a copy of a conference committee report signed by a majority of each committee of the conference to be furnished to each member of the committee in person or, if unable to deliver in person, by placing a copy in the member's newspaper mailbox at least one hour before the report is furnished to each member of the house under Rule 13, Section 10(a). The paper copies of the report submitted to the chief clerk under Rule 13, Section 10(b), must contain a certificate that the requirement of Rule 13, Section 6(b), has been satisfied, and that certificate must be attached to the copy of the report furnished to each member under Rule 13, Section 10(d). Failure to comply with this requirement is not a sustainable point of order under Rule 13.

I certify that a copy of the conference committee report on HB 2994 was furnished to each member of the conference committee in compliance with Rule 13, Section 6(b), House Rules of Procedure, before submission of the paper copies of the report to the chief clerk under Rule 13, Section 10(b), House Rules of Procedure.

Trent Ashby

(name)

5/26/17

(date)

17R337(3)