

- SUBJECT:** Establishing the Texas Adult Career Education Grant Program
- COMMITTEE:** Technology, Economic Development and Workforce — committee substitute recommended
- VOTE:** 8 ayes — Strama, Parker, F. Brown, Button, Eissler, Gattis, Harless, Rodriguez
- 0 nays
- 1 absent — Ritter
- WITNESSES:** For — Angela Baker, Austin Interfaith and Texas DAF Network; Tiffany Bradley, Capital IDEA; Virginia Gamez, Project Quest, Metro Alliance, Communities Organized for Public Service (COPS); Enrique Garibay, Project Vida and Valley Interfaith; Gabriella Lohan, Mike Phillips, COPS, Metro Alliance, Texas IAF Network; Mary Pena, Project QUEST; (*On committee substitute:*) Steven Jackobs, Capital IDEA
- Against — James Poage
- On — Tamara Clunis, Texas Higher Education Coordinating Board; Tom Currah, Texas Comptroller of Public Accounts; Larry Jones, Texas Workforce Commission
- DIGEST:** CSHB 1935 would require the comptroller of public accounts to establish and administer the Texas Adult Career Education Grant Program. The purpose of the program would be to provide grants to enable eligible 501(c)(3) nonprofits, in partnership with public junior colleges, to administer community-based initiatives that:
- are designed to provide unemployed and underemployed adults with the postsecondary education necessary to obtain living-wage careers in high-demand occupations in the local community; and
 - use methodologies proven to achieve measurable results in developing the skill sets of unemployed and underemployed adults to enable them to achieve financial independence.

To be eligible for a grant, a nonprofit would have to be governed by a structure, such as a board, that included recognized community leaders of broad-based community organizations and members of the local business community. Additionally, a nonprofit would have to demonstrate satisfactorily that the organization's applicable programs have achieved the following measures of success among program participants:

- above-average completion of developmental education among public junior college students;
- above-average persistence rates among public junior college students;
- above-average certificate or degree completion rates within a three-year period among first-time demographically comparable public junior college students;
- increased reading and mathematics performance;
- employment at an average full-time starting wage that is at least 50 percent of the local median household income and equal to or greater than the prevailing wage for the occupation entered; and
- increased tax receipts and decreased reliance on public assistance due to employment opportunities created through program participation sufficient to offset the public money used to finance the organization's programs.

A grant received could only be used as state matching funds used to match local public or private funding, and could only support programs that:

- prepare unemployed or underemployed adults for career employment in private and public sector jobs that are identified by local businesses as being in high demand and that provide a living wage, health benefits, and career advancement opportunities;
- assist unemployed or underemployed adults in earning transferable degree credits at public junior colleges;
- provide unemployed or underemployed adults with an education path to complete a certificate or degree program at a public junior college that is tailored to each person's academic need at the time of enrollment, including adult education, high school equivalency certificate preparation, literacy and English as a second language classes, developmental education, and transferable degree credit course work; and
- provide unemployed or underemployed adults with child care, counseling, case management, mentoring, transportation,

emergency assistance, financial assistance toward the cost of tuition, books, and other assistance.

The comptroller would, as soon as practicable after the bill's effective date, adopt rules for the administration of the Texas Adult Career Education Grant Program.

The bill would take immediate effect if finally passed by a two-thirds record vote of the membership of each house. Otherwise, it would take effect September 1, 2009.

**SUPPORTERS
SAY:**

CSHB 1935 would address the growing underinvestment in the Texas workforce for jobs that require more than a high school diploma, but less than a four-year degree. According to a 2008 comptroller's report, there is a serious imbalance between the demand for skilled workers and the state's ability to supply a labor pool. The report found that there are many high-paying, rapidly-growing professions available to individuals with technical training, evidenced by the report's finding that more than 80 percent of all Texas jobs in 2007 did not require a bachelor's degree and, for 44 percent of these jobs, provided above-average income for the state.

The Texas Adult Career Education Grant Program proposed in CSHB 1935 would help Texas address this issue by providing a community-based partnership between local non-profit organizations and junior colleges to give program participants the proper support needed to succeed. This wrap-around support, including assistance with child care, counseling, transportation, and tuition assistance is crucial for program participants to become program graduates who can access the growing demand for skilled labor and enable Texas to continue to grow and prosper. During a time of economic uncertainty, this is exactly the sort of investment in workforce support the state should be making.

**OPPONENTS
SAY:**

This bill should ensure that all potential service providers can equally access the program and that incumbent providers are not favored. Also, this is not the time to establish a new state program costing \$3.4 million per year.

NOTES:

According to the Legislative Budget Board, the bill would cost the state almost \$3.4 million per year over the next five years.