

- SUBJECT:** Developing a workforce investment partnership program for rural areas
- COMMITTEE:** Economic and Small Business Development — committee substitute recommended
- VOTE:** 8 ayes — J. Davis, Vo, Bell, Isaac, Murphy, Perez, E. Rodriguez, Workman
- 0 nays
- 1 absent — Y. Davis
- WITNESSES:** For — Desi Martinez; Eric Opiela, Karnes City ISD Education Foundation; Susan Smedley, Coastal Bend College; (*Registered, but did not testify*: Ellen Arnold, Texas Association of Goodwills, Texas PTA; Kathy Barber, NFIB Texas; Melody Chatelle, United Ways of Texas; Michael Chatron, AGC Texas Building Branch; James De Garavilla, TASB, Silsbee ISD; Cathy Dewitt, Texas Association of Business; Jon Fisher, Associated Builders and Contractors of Texas; Gene Fisseler, NRG Energy; Hugo Gutierrez, Marathon Oil; Tom Sellers, ConocoPhillips)
- Against — (*Registered, but did not testify*: Brent Connett, Texas Conservative Coalition)
- BACKGROUND:** Under Agriculture Code, ch. 12 the Department of Agriculture is authorized to administer various economic development programs for rural areas of the state.
- DIGEST:** CSHB 533 would amend Agriculture Code, ch. 12 to create the Rural Workforce Investment Program. A rural area would be defined as a county with a population under 200,000 or a municipality with a population under 50,000. To promote workforce investment plans, the commissioner of the Texas Department of Agriculture (TDA) would be authorized to develop a program facilitating partnerships in rural areas among school districts, public junior colleges, public technical institutes, public universities, and businesses. The commissioner could adopt rules as necessary to administer the program.

This 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, 2013.

**SUPPORTERS
SAY:**

Increased economic activity in rural areas of the state, such as those associated with oil and gas development in areas with the Eagle Ford Shale formation, need a trained workforce, yet there exists a shortage of skilled workers in these areas. The U.S. Department of Education estimates that 80 percent of all new jobs will require some type of post-secondary education.

There have been successful examples of career and technical education partnerships in this state, such as one program providing high school students with tools and support to pursue science, technology, engineering, and mathematics (STEM) careers. The state's second largest power-generating company, NRG Energy, has implemented this program through collaborative efforts with the South Texas Project, the Nuclear Power Institute, and the Texas A&M Engineering Experiment Station.

The bill would expand access to career and technical education partnerships in rural areas by similarly encouraging collaboration toward increasing career training certification to high school students in these areas. By creating the Rural Workforce Investment Pilot Program, the bill would expand eligibility for funding from the Department of Agriculture. This program would be modeled after the Parallel Pathways to Success pilot program administered by TDA and would ensure access to these rural development funds intended to encourage economic development in rural areas.

**OPPONENTS
SAY:**

A new program to fund workforce training should be not be created by the Department of Agriculture. The traditional role of TDA has been assisting agriculture, and developing a program to train rural people for technical jobs is not part of the department's mission.

NOTES:

According to the fiscal note, the Legislative Budget Board estimated CSHB 533 would have a negative net impact to general revenue funds of \$891,817 for the 2014-15 biennium.