

- SUBJECT:** Requirements for state agency tuition reimbursements for employees
- COMMITTEE:** General Investigating and Ethics — favorable, without amendment
- VOTE:** 5 ayes — Kuempel, Collier, S. Davis, Larson, C. Turner
0 nays
2 absent — Hunter, Moody
- WITNESSES:** None
- BACKGROUND:** Government Code, sec. 656.044 authorizes state agencies to use public funds to provide training and education for administrators and employees. The training and education must be related to administrators' and employees' duties or prospective duties.
- Under Government Code, sec. 656.047, state agencies can spend public funds to pay the salary, tuition, fees, travel and living expenses, training stipend, training materials expenses, and other necessary expenses of an instructor, student, or other participant in a training or education program.
- Government Code, sec. 656.048 requires state agencies to adopt certain rules relating to training and education. Agencies are required to adopt rules relating to the administrators' and employees' eligibility for training and education and their obligations on receiving the training. Before spending money on training, agencies are required, under Government Code, sec. 656.102, to adopt a policy that requires training to relate to employees' duties following training.
- DIGEST:** HB 3337 would prohibit state agencies from reimbursing employees or administrators for tuition expenses for training or education programs offered by higher education institutions unless the programs were successfully completed at an accredited institution. State agencies would have to adopt rules requiring executive agency heads to authorize the tuition reimbursement payments before they could be made.

The current mandate that agencies have a policy requiring training to relate to employees' duties would be expanded to include additional conditions. The policy would have to provide clear and objective guidelines governing tuition reimbursements for training and address tuition reimbursements for nontraditional training, including online courses or courses not credited toward a degree. The policy would have to be posted on the agency's website under its employment section.

HB 3337 would take effect September 1, 2015, and would apply only to training and education expenses paid on or after that date.

**SUPPORTERS
SAY:**

HB 3337 would help to ensure that state agencies had transparent and fair policies for reimbursing employees for higher education tuition expenses and that these programs had adequate oversight and accountability.

The bill would require agencies to have established policies with clear, objective guidelines for reimbursements and to have those policies posted on agency websites. Recent reports regarding state agency tuition reimbursement programs have highlighted several issues, including paying costs up front, paying for some employees' costs but not others, and paying for education that is unrelated to an employee's job. The bill would improve accountability of these programs by requiring executive agency heads to authorize reimbursement and by allowing reimbursements only after successful completion of a program. The requirements would not burden state agencies, some of which already are reviewing and updating their policies in response to the recent reports.

Tuition reimbursement programs can benefit state agencies and the public by helping train and educate state employees to improve their public service. HB 3337 would be a step in the right direction in addressing issues with the programs and would help ensure proper handling of taxpayer dollars. If more needed to be done after the changes in HB 3337 were implemented, the Legislature could address that in the future.

OPPONENTS

HB 3337 should go further in increasing transparency by requiring state

SAY: agencies to report annually on their tuition reimbursement programs. A report detailing amounts and how they were spent could help the state evaluate the effectiveness of such programs, indicate if further changes were needed, and ensure taxpayer money was being used responsibly.