

- SUBJECT:** Reimbursing private employers for paid CTE internships
- COMMITTEE:** International Relations and Economic Development — committee substitute recommended
- VOTE:** 6 ayes — Button, C. Morales, Beckley, C. Bell, Metcalf, Ordaz Perez
- 0 nays
- 3 absent — Canales, Hunter, Larson
- WITNESSES:** For — Mike Meroney, Texas Association of Manufacturers; Richard Johnson and Erin Valdez, Texas Public Policy Foundation; (*Registered, but did not testify*: Annie Spilman, NFIB; Chris Walters, Texas 2036; Megan Herring, Texas Association of Business; Justin Yancy, Texas Business Leadership Council; Jennifer Fagan, Texas Construction Association; Dana Harris, The Greater Austin Chamber of Commerce; Ashley Harris, United Ways of Texas)
- Against — None
- On — Mary York, Texas Workforce Commission; (*Registered, but did not testify*: Monica Martinez, Texas Education Agency)
- BACKGROUND:** High school career and technology education (CTE) courses can connect students with job-related training and postsecondary programs of study. Interested parties contend that allowing schools to use their CTE funding to form partnerships with local nonprofits for paid internships with private employers would help students gain hands-on training and real-world experience.
- DIGEST:** CSHB 1032 would authorize a school district board of trustees to contract with a community-based organization to encourage private employers to participate with school districts in providing career and technology education (CTE) through paid internship programs. A district could use its Foundation School Program funding for students enrolled in CTE courses

to provide funds under such a contract.

A community-based organization would have the Labor Code meaning of a private nonprofit organization, including a development corporation and faith-based organization, that provides for education, vocational education, rehabilitation, job training, or internship services or programs and meets certain IRS requirements. A contract with such an organization could:

- match students in grade 11 or 12 who were participating in a CTE program with paid internships or similar programs provided by private employers; and
- reimburse private employers for all or part of the cost of providing the internships using funds provided to the community-based organization by the district.

A contract would have to :

- require each paid internship or similar program to primarily promote a public purpose of the district relating to CTE;
- include provisions under which the district was granted sufficient control to ensure that the public purpose was accomplished and the district received the return benefit; and
- ensure that each student employed under a paid internship or similar program was paid at least the minimum wage required by law.

Completion of a paid internship or similar program provided under a contract could satisfy a requirement to complete a practicum as part of a school district's CTE program.

The bill would take effect September 1, 2021.