

Amend CSSB 280 (house committee printing) by adding the following appropriately numbered SECTIONS to ARTICLE 4 of the bill and renumbering the other SECTIONS of ARTICLE 4 of the bill appropriately:

SECTION __. Section 2308.264, Government Code, is amended by amending Subsections (a), (b), and (d) and adding Subsections (a-1), (e), and (f) to read as follows:

(a) Except as otherwise provided by this section, a [A] board may not directly provide workforce training or one-stop workforce [and] services.

(a-1) A board may not act as a fiscal agent for any entity that contracts with the board to provide one-stop workforce services.

(b) A board may request from the Texas Workforce Commission [council] a waiver of Subsection (a).

(d) If a board receives a waiver to provide workforce training and one-stop workforce services, the evaluation of results and outcomes is provided by the Texas Workforce Commission [council].

(e) The Texas Workforce Commission by rule shall establish contracting guidelines for boards under this section, including guidelines designed to:

(1) ensure that each independent contractor that contracts to provide one-stop workforce services under this section has sufficient financial security; and

(2) prevent potential conflicts of interest between boards and entities that contract with boards under this section.

(f) The Texas Workforce Commission shall ensure that each board complies with this section and may approve a local plan under Section 2308.304 only if the plan complies with this section.

SECTION __. Section 2308.267(b), Government Code, is amended to read as follows:

(b) A board's staff shall be separate from and independent of any organization providing workforce education or workforce training and services in the workforce development area. A board's staff may not direct or control the staffing of any entity providing one-stop workforce services.

SECTION __. (a) The Texas Workforce Commission shall adopt rules as required by Section 2308.264(e), Government Code, as added by this article, not later than March 1, 2004. Until the commission has adopted rules as required by that section, the commission may not approve a new local plan or contract:

(1) that uses a managing director or a professional employment organization for the delivery of one-stop workforce services; or

(2) under which an independent contractor provides one-stop workforce services, unless the plan or contract requires the independent contractor to:

(A) directly employ staff to provide one-stop workforce services; and

(B) have direction and control over the staff providing the one-stop workforce services, including the right to hire, fire, discipline, and reassign the staff.

(b) Rules adopted by the Texas Workforce Commission under Section 2308.264(e), Government Code, as added by this article, apply to any existing local plan adopted by a local workforce development board and any existing contract for one-stop workforce services. If an existing commission-approved local plan or contract that uses a managing director or a professional employment organization for the delivery of one-stop workforce services does not comply with the rules adopted under Section 2308.264(e), Government Code, as added by this article, the board operating under the plan or contract shall comply with the rules not later than September 1, 2004, and may continue to operate under the plan or contract until that date.