## **BILL ANALYSIS**

C.S.H.B. 2171 By: Solomons Economic Development Committee Report (Substituted)

# **BACKGROUND AND PURPOSE**

The Texas Council on Workforce and Economic Competitiveness (the Council) was established in 1993. The Council's key duties include strategic planning for the integration of system-wide workforce services, evaluating the workforce development system, and producing research reports for the Office of the Governor and the Legislature. The Council also serves as the federally required State Workforce Investment Board under the federal Workforce Investment Act of 1998. The Council is subject to the Sunset Act and will be abolished on September 1, 2003, unless continued by the Legislature. CSHB 2171 provides for the continuation of the Council, renaming it the Texas Workforce Investment Council, and contains changes recommended by the Sunset Advisory Commission.

### **RULEMAKING AUTHORITY**

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

#### **ANALYSIS**

CSHB 2171 amends the Government Code, to rename the Workforce and Economic Competitiveness Act as the Workforce Investment Act.

CSHB 2171 amends the Government Code, to change a citation of the Workforce and Economic Competitiveness Act to the Workforce Investment Act.

CSHB 2171 amends the Government Code, to change the Texas Council on Workforce and Economic Competitiveness' name to the Texas Workforce Investment Council (the Council).

CSHB 2171 amends the Government Code, to update the Council's Sunset date to September 1, 2015, which provides for the standard 12-year period, and to change the Council's name.

CSHB 2171 amends the Government Code, to replace reference to "effective date" with the actual date certain, September 1, 1999, for a section of statute added by HB 3431 (76th Legislature), and to change the Council's name.

CSHB 2171 amends the Government Code, to reduce the number of Council members from 20 to 19 by eliminating one of the two representatives of community-based organizations, to meet Texas Constitutional requirements that boards and commissions have odd-numbered members. Designates the executive agency head, rather than the board chairs, of the Texas Education Agency, the Texas Higher Education Coordinating Board, the Texas Department of Human Services, the Texas Department of Economic Development, and the Texas Workforce Commission, to represent their agencies as ex officio members of the Council. Adds new Subsection (e), adding standard Sunset language requiring non-discriminatory appointments to the Council.

CSHB 2171 amends the Government Code, to update standard Sunset language giving the Governor authority to designate the Council's presiding officer to serve at the pleasure of the Governor.

CSHB 2171 amends the Government Code, to specify that the terms of approximately one-third of Council members who are not ex officio members expire in each odd-numbered year.

CSHB 2171 amends the Government Code, to update standard Sunset language specifying the grounds for removing a Council member, and requirements for notification of a potential ground for removal.

CSHB 2171 amends the Government Code, to add standard Sunset language requiring members of the Council to complete training before assuming their duties, modified to not require the Council to reimburse travel expenses. Updates standard Sunset language requiring the executive director to inform Council members and employees of the qualifications and responsibilities for office.

CSHB 2171 provides that of the positions on the Council filled by a member representing communitybased organizations, the position of the member whose term on the Council is next scheduled to expire is abolished on September 1, 2003. If two members who represent community-based organizations have terms that are next scheduled to expire, one of the positions is abolished on September 1, 2003. On or before that date, both members must decide which of the positions shall be abolished and inform the Council's presiding officer of the decision.

CSHB 2171 provides that, as soon as practicable after the effective date of the Act, the ex officio members of the Council as described by Section 2308.052(b) must begin to serve on the Council.

CSHB 2171 provides that changes made to prohibitions or qualifications of Council members apply to members appointed on or after September 1, 2003.

CSHB 2171 amends the Government Code, to add Subsection (c) which is standard Sunset language requiring the Council to separate its policymaking duties from the agency's management functions. Adds standard Sunset language requiring the Council to give the public a reasonable opportunity to present issues under the Council's jurisdiction.

CSHB 2171 amends the Government Code, to add Section 2308.1015, requiring the Council to evaluate duplication or gaps in services, or other problems affecting the delivery of services, and facilitate the seamless delivery of integrated workforce services across programs administered by member agencies. Requires the Council to develop immediate and long-range strategies to address identified problems. Requires the Council to identify each agency on the Council responsible for implementing these strategies and include time frames for implementation. Requires the Council to include a list of specific problems to be resolved each year, and report on the results of such efforts annually to the Governor and the Legislature.

CSHB 2171 amends the Government Code, to delete certain obsolete Council duties no longer required under federal law, or under federal laws that have been repealed.

CSHB 2171 amends the Government Code, to add Section Subsection (h) requiring the Council to include in its strategic plan the long-range strategies developed under Section 2308.1015.

CSHB 2171 amends the Government Code, to add Sections 2308.107 and 2308.108, which is standard Sunset language requiring the Council to maintain information on written complaints and notify the parties about policies for and status of complaints. Adds standard Sunset language requiring the Council to make effective use of technology in its delivery of services and provision of information to the public.

CSHB 2171 amends the Government Code, to add Section 2308.159, which is standard Sunset language requiring the Council to inform employees about the State Employee Incentive Program.

CSHB 2171 provides that the Council must develop policies separating the policy-making responsibilities of the Council's members, to make effective use of technology in its delivery of services, provide the public a reasonable opportunity to appear before the Council, and inform employees about the State Employee

Incentive Program no later than February 1, 2004. Specifies that the Council must evaluate duplication or gaps in services and facilitate the seamless delivery of integrated workforce services, develop immediate and long-range strategies to address identified problems, identify the duties of each of the member agencies in implementing strategies, and include in its strategic plan long-range strategies to address seamless service delivery, no later than February 1, 2004.

CSHB 2171 provides that requirements relating to maintaining complaint files, providing complaint policies, and notification of complaint status applies only to a written complaint filed on or after the effective date of this Act, September 1, 2003.

CSHB 2171 amends the Government Code, to make conforming change specifying that the funding formula for the evaluation system established by the Council refers to the evaluation system transferred to the Texas Workforce Commission in SECTION 4.03.

CSHB 2171 amends the Labor Code, by transferring language from Section 2308, Government Code, to a new Subchapter E, Labor Code, and modifying that language to require the Texas Workforce Commission, rather than the Council, to maintain an automated follow-up and evaluation system. Maintains language transferred from the Government Code, requiring each state agency on the Council to provide information to support the follow-up and evaluation system, and authorizing the Texas Workforce Commission to request placement, employment and earnings information from appropriate sources. Modifies the language transferred from the Government Code to require the Texas Workforce Commission, rather than the Council, to provide analysis, by occupations and training provider, of each workforce program over one, three, and five-year periods and post this information on the Commission's website. Maintains language transferred from the Government Code, requiring the Texas Higher Education Coordinating Board to use job placement information to evaluate the effectiveness of workforce education, requires the Council and local workforce development boards to use information developed under the Subchapter to determine the effectiveness of workforce services and programs, and requires the automated follow-up and evaluation system be used to assist the Texas Workforce Commission, the Council, local workforce development boards, and others to evaluate the effectiveness of workforce development in the state.

CSHB 2171 requires the Council to complete the transfer of all records and information relating to the follow-up system to the Texas Workforce Commission as soon as practicable after the bill's effective date of September 1, 2003.

CSHB 2171 amends the Government Code to repeal obsolete statutes in the Chapter 2308 that were moved to the Labor Code, as part of the transfer of the automated follow-up and evaluation system from the Council to the Texas Workforce Commission.

CSHB 2171 amends the Education Code, to make conforming changes.

CSHB 2171 amends the Government Code, to make conforming name changes.

CSHB 2171 amends the Human Resources Code, to make a conforming change.

CSHB 2171 amends the Labor Code, to make conforming changes.

CSHB 2171 amends the Tax Code, to make a conforming name change.

CSHB 2171 provides that Legislative appropriations made to the Council on Workforce and Economic Competitiveness are for the use of the Texas Workforce Investment Council.

### EFFECTIVE DATE

September 1, 2003.

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# **COMPARISON OF ORIGINAL TO SUBSTITUTE**

C.S.H.B. 2171 modifies the original by removing one Council member representing community-based organizations to reduce the Council's membership from 20 to 19 to comply with the Texas constitutional requirement for boards and commissions to be odd-numbered.

The substitute clarifies that the follow-up and evaluation system being transferred to the Texas Workforce Commission is also for use by the Texas Workforce Commission.

The substitute deletes certain obsolete Council duties no longer required under federal law, or under federal laws that have been repealed.